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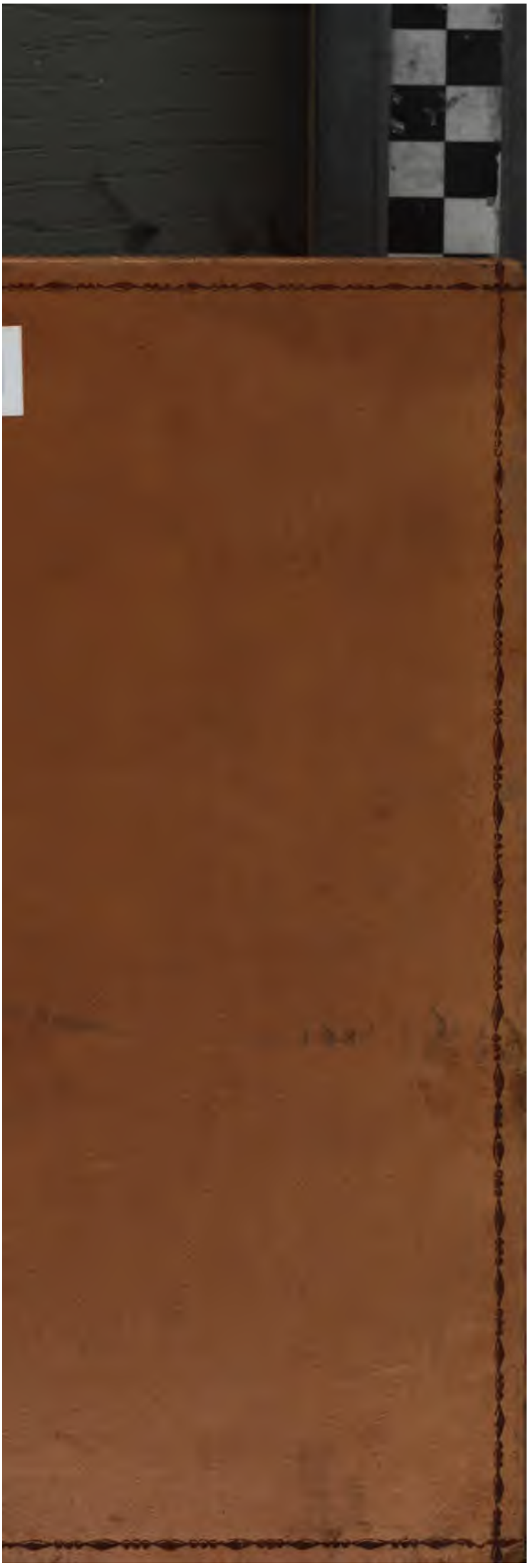

REPORTS OF COMMITTEES

OF THE

SENATE OF THE UNITED STATES

FOR THE

SECOND SESSION OF THE FIFTY-THIRD CONGRESS.

1893-'94.

IN SEVENTEEN VOLUMES.

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53D CONGRESS, 2d Session. | SENATE. | REPORT No. 436.

IN THE SENATE OF THE UNITED STATES.

MAY 25, 1894.—Ordered to be printed.

Mr. GRAY, from the Special Committee to Investigate Attempts at Bribery, etc., under resolution of the Senate of May 17, 1894, submitted the following

REPORT:

Your committee appointed to investigate among other things the charge that bribes had been offered to certain Senators to induce them to vote against the pending tariff bill, submit the following report:

That the matter committed to them for investigation by the first branch of the resolution of the Senate, as above stated, presented a distinct and definite charge not connected in anywise with the other matters embraced in said resolution. They first addressed themselves thereto. They have called before them the Senators from Virginia and South Dakota, Messrs. Hunton and Kyle, whose names were mentioned in the New York Sun article, referred to in the Senate resolution, and afterward the several witnesses whose names and testimony will appear in full in the papers herewith submitted.

No other witness than those has been suggested as likely to throw light on the transactions inquired about, and no clew leading to other testimony has been discovered by your committee.

It appears from the testimony submitted that a certain Charles W. Buttz, of North Dakota, but domiciled in Washington since December last, where he has been engaged as a lobbyist and claim agent, did, on or about the 1st of April of this year, at the house of Senator Hunton, in Warrenton, Va., during the absence of the Senator, say to his son, Eppa Hunton, jr., that he would pay him a contingent fee of $25,000 if he would, by presenting arguments as to the pending tariff bill, induce his father, Senator Hunton, to vote against it.

This offer was declined at once and peremptorily by Eppa Hunton, jr., as set forth in his testimony, and the whole matter was communicated by him to his father. Senator Hunton availed himself of the first opportunity to disclose the matter to certain of his friends in the Senate, as appears in the testimony, and was in no other way connected with the transaction.

It is also established by the testimony that the same Charles W. Buttz, during the month of March last past, approached Senator Kyle, of South Dakota, with a proposition that $14,000 would be paid to him (Senator Kyle) if he would vote against the pending tariff bill. The said Buttz, when making this proposition, also stated to Senator Kyle that the money was in the hands or control of an agent of certain bankers and capitalists of New York City, and that the money was in Washington.

Senator Kyle's testimony is confirmed by that of Mr. Duncan McFarlane, clerk to the Committee on Education and Labor.

Senator Kyle is shown by the testimony to have communicated this interview with Buttz, and the offer made to him, to several Senators shortly after the said interview took place.

Your committee are abundantly justified in stating that the facts above recited have been established by the evidence, notwithstanding the denial on the part of Charles W. Buttz, and they refer the Senate to the testimony in detail in support of this finding.

Your committee find nothing from their investigation to impeach, in the least degree, the honor or character of Senators Hunton and Kyle.

There is no evidence to show the truth of Mr. Buttz's statements to Senator Kyle and to Mr. Eppa Hunton, jr., that a syndicate of bankers and capitalists had raised a sum of money to be used for the purpose of defeating the pending tariff bill, or that there was an agent of such a syndicate in Washington, or that any money was in Washington for that purpose. Buttz denies that he made any such statement, or that he had or has any knowledge of the existence of such a syndicate, or that he was the agent or representative of anyone. He further denies that he had any money himself.

If, during the further prosecution of the investigation with which your committee is charged, any evidence be discovered or suggested tending to support the statements made to Senator Kyle, or to Mr. McFarlane, or to Mr. Eppa Hunton, jr., by Charles W. Buttz, it will be promptly laid before the Senate. Until then your Committee are compelled, upon all the evidence submitted to them, to the conclusion that the statements of Charles W. Buttz are wholly untrustworthy.

All the testimony has been stenographically reported, and is herewith submitted to the Senate.

GEO. GRAY.
WILLIAM LINDSAY.
HENRY CABOT LODGE.
C. K. DAVIS.
WM. V. ALLEN.

ALLEGED BRIBERY OF U. S. SENATORS.

WASHINGTON, D. C., *May 21, 1894.*

The committee met pursuant to the following resolution of the Senate of the 17th of May, 1894:

Whereas it has been stated in The Sun, a newspaper published in New York, that bribes have been offered to certain Senators to induce them to vote against the pending tariff bill; and

Whereas it has also been stated in a signed article in The Press, a newspaper published in Philadelphia, that the sugar schedule has been made up as it now stands in the proposed amendment in consideration of large sums of money paid for campaign purposes of the Democratic party: Therefore,

Resolved, That a committee of five Senators be appointed to investigate these charges and to inquire further whether any contributions have been made by the sugar trust, or any person connected therewith, to any political party for campaign or election purposes or to secure or defeat legislation, and whether any Senator has been or is speculating in what are known as sugar stocks during the consideration of the tariff bill now before the Senate, and with power to send for persons and papers and to administer oaths.

Resolved further, That said committee be authorized to investigate and report upon any charge or charges which may be filed before it alleging that the action of any Senator has been corruptly or improperly influenced in the consideration of said bill, or that any attempt has been made to so influence legislation.

Present: The chairman (Senator Gray) and Senators Lindsay, Davis, Lodge, and Allen.

SWORN STATEMENT OF SENATOR EPPA HUNTON.

The CHAIRMAN. You are a member of the Senate of the United States from the State of Virginia?

Senator HUNTON. Yes.

The CHAIRMAN. How long have you been a Senator?

Senator HUNTON. I succeeded Mr. Barbour when he died. I believe it was in June, 1893.

The CHAIRMAN. Your home is in Virginia? Where?

Senator HUNTON. Warrenton, Fauquier County.

The CHAIRMAN. You have been in attendance continuously upon this session of the Senate?

Senator HUNTON. Yes.

The CHAIRMAN. An allegation has been published in the newspapers that you have been directly or indirectly approached with corrupt propositions to influence your vote on measures pending before the Senate. What have you to say in regard to that? Have you any knowledge of it?

Senator HUNTON. I have never been directly approached at all. I will be glad to state the circumstances attending an indirect approach.

Senator DAVIS. I think that is proper.

The CHAIRMAN. State what you know in that direction.

Senator HUNTON. On the 2d day of April last, which was Monday, I took my wife, who had been spending the winter here, to the upper part of the country on a visit to my sister. In the evening I went after her and took her home. We got back home at half-past 7 o'clock Saturday evening. When we reached my home my son told me of a visit of a Mr. Buttz, which was made to him the Sunday preceding.

Senator DAVIS. At Warrenton?

Senator HUNTON. At Warrenton. Mr. Buttz, as I learned from my son, went up there on the Sunday preceding my arrival, went to my house, rang the bell. My son was near the door and opened it and received him. Mr. Buttz presented a letter of introduction from a man in this city named Walker, who came here from Virginia. That letter stated that Mr. Buttz had——

The CHAIRMAN. Have you that letter?

Senator HUNTON. My son has the letter and will produce it. The letter stated that Mr. Buttz had some business with my son. The point mentioned in the letter was that he had a matter before the Land Department, in which he (Buttz) wished to employ my son as counsel. I suppose it is not proper for me to state what I learned from my son, about what occurred between him and Mr. Buttz; he is here and will state it himself. In the course of the conversation with my son I learned that the efforts of this man was to enlist my son's services on a very large contingent fee to influence my vote on the tariff question.

Senator DAVIS. What the son said, I think, may be proper.

The CHAIRMAN. I agree with you. But I wish to proceed with due deliberation.

Senator HUNTON. What is that?

The CHAIRMAN. You can state all that occurred between you and your son at that time.

Senator HUNTON. My son told me that he just glanced at the letter of introduction, more to see the name of the man that was introduced than to read it. This was when it was first presented to him. According to my recollection of my son's statement, the man told him that he was very much interested in the defeat of the tariff bill. I think, probably, he said that he represented some party that was very much interested, and that he would give my son, he first named, $15,000; that he had an argument against the tariff bill which he thought would control my vote, and he desired to present that argument to my son so that my son might present it to me; that if he would undertake the job and prove successful in it, I think he first named the sum he would give as $15,000 and immediately rose to $25,000, that he would give him $25,000. My son said that he could not influence my vote if he would, and he would not if he could; that he was a tariff-reformer himself, and immediately dismissed the subject. The man attempted to come back and renew the conversation.

Senator DAVIS. Did the man leave the house on that and afterward come back?

Senator HUNTON. No; this was the first interview. My son said he would not hear anything further on the subject, and the man took his leave. That evening my son was lying down and had directed that he be not disturbed. The man rang the bell, and the servant told him that my son said he was not to be disturbed. The man presented a card. The card is not in existence. It was an invitation for my son to call on him at his office on F street.

It was an effort to bribe me through my son. My son did not deal with the man as he ought to have done. I found him in a state of

indignation. He told about the affair to some friends of ours in the town. That was Saturday night, and on Monday morning I returned to Washington. So soon as I reached the Senate chamber I told Senator Harris what had occurred, and told him that I thought it was my duty to inform my friends in the Senate, and especially him (Senator Harris) as the manager of the tariff bill, what was going on, that they might take such steps as they thought proper. I afterward told it to all the Democratic members of the Finance Committee and to a good many friends on the floor. I recollect telling you, Mr. Chairman, about it. I believe that is about all I know.

The CHAIRMAN. That is all you know in regard to it?

Senator HUNTON. That is all, and most of that is hearsay. I never have been approached at all by this man Buttz.

The CHAIRMAN. Did you ever see him?

Senator HUNTON. I first supposed when I heard of this matter that I had never laid eyes on the man; but I understand I served a term in Congress with him, the Forty-sixth Congress.

The CHAIRMAN. Did you ever see him?

Senator HUNTON. I do not know that I ever spoke to him. He may possibly have come up and offered his hand. If he was to come into this room I would recognize him as a man whom I have seen; but I thought I had never laid eyes on him, and did not to know him as Buttz.

Senator LINDSAY. What is the name of your son?

Senator HUNTON. Eppa Hunton, jr.

Senator LINDSAY. What is his profession?

Senator HUNTON. Lawyer in Warrenton.

Senator DAVIS. What is Mr. Walker's first name?

Senator HUNTON. James W. Walker.

Senator DAVIS. Do you know what his business is?

Senator HUNTON. He professes to be a lawyer here. He was a resident of Madison County, Va., and came from there to this city.

Senator DAVIS. Where is his office?

Senator HUNTON. I do not think I could tell you.

Senator LINDSAY. Has he any middle name?

Senator HUNTON. James W. Walker. About two weeks ago James W. Walker sent his card up to me at the Normandie, and supposing that he was the man who had written this letter of introduction, I sent for him to come to my room. When he came in I recognized him as this man who formerly lived in Virginia. I said, "Mr. Walker, are you the gentleman who gave a letter of introduction to my son for a Mr. Buttz?" He said he was. I said, "Do you know the object of that man's visit to my son?" He said, "No further than stated in the letter of introduction;" which, as I said a while ago, spoke of employing my son in a matter pending in the Land Department. I said, "Do you tell me positively that you never knew that Mr. Buttz had any other object in view in his visit to Warrenton?" He said he did not, and I dropped the subject. Mr. Walker told me in the same conversation that he boarded in the same house with Buttz, and a suspicion crossed my mind that he and Buttz had discussed this matter between them. But he said he knew nothing on the subject, except what he stated in that letter.

I would be glad if the committee would send for him and examine him on that subject.

Senator ALLEN. Do you know Mr. Walker's number?

Senator HUNTON. *No; but I can get it.*

The CHAIRMAN. What is his full name?

Senator HUNTON. James W. Walker. I would be exceedingly glad if the committee would ask me any questions that may occur to any of them. I beg to say that I have felt a good deal humiliated by this whole affair. I thought I had lived a life which protected me from any such approaches, and that I knew my son was as high above anything of that sort as I claimed to be. I felt it to be my duty as soon as I heard it to let it be known among my friends in the Senate. And I did not confine it to Senators, but told my friends of it pretty freely, that they might know that there was an effort being made, and that they might take such steps as were necessary. When I first spoke to Senator Harris about it I suggested that he get four or five members of the Senate and that we would withdraw from the Senate chamber, talk the matter over, and determine what was best to do in the premises; but the Senate was engaged at that time and we did not get together and did not hold a consultation. But it was understood among those with whom I talked on the subject, and from the start, that I desired the Senate to take such steps in the premises as were proper.

Senator DAVIS. This interview between your son and Mr. Buttz, I believe you said, was on the 2d of April?

Senator HUNTON. No; on the 1st of April. I left here on the 2d of April and got home on the 7th. I asked my son afterwards to give me a statement of what had occurred between him and Buttz. He gave it, and I showed it around among my friends in the Senate.

Senator LODGE. What finally decided you to make it public?

Senator HUNTON. Why, I did not make it public. It was finally made public on last Monday.

Senator DAVIS. By whom?

Senator HUNTON. I can not tell you. The first I knew of its publicity Senator Quay came over to me with a copy of the Philadelphia Record, and asked me if that was true. I told him that it was substantially true. That was the first I knew of its publicity. I afterwards went over to Senator Quay's seat and said, "I desire to correct what I stated to you in an unimportant particular; I told you it was all true." The piece stated that it had just come out that morning, and I desired to say to Senator Quay that that part was not true; that I had immediately told my friends in the Senate about it; but with that exception the piece was substantially true. During my absence from the Senate Chamber Senator Lodge introduced this resolution, and when I came back he informed me that it was introduced and adopted, which was a mistake—it came up the next morning, and was adopted.

I hope no member of this committee will feel the slightest delicacy in asking any question which may occur to him.

Senator ALLEN. You have given the transaction—about all there is to it?

Senator HUNTON. Yes; all that I know about it, and a good deal that I did not know—that I learned from my son. As I said awhile ago, I never really was approached at all; and if I ever met this man Buttz in ten years I do not know it.

Senator ALLEN. The entire attempt to reach you was through your son?

Senator HUNTON. Yes; entirely so. I regret that it did not come to me directly instead of through my son. Of course, the result would have been the same; but I regret that he was approached. He is my only child, and I love him dearer than life itself.

SWORN STATEMENT OF EPPA HUNTON, JR.

The CHAIRMAN. Where do you reside?
Mr. HUNTON. I reside in Warrenton, Va.
The CHAIRMAN. How old are you?
Mr. HUNTON. I am 39.
The CHAIRMAN. You are the son of Senator Hunton, of Virginia?
Mr. HUNTON. Yes.
The CHAIRMAN. Are you keeping house in Warrenton?
Mr. HUNTON. No; I live with my father.
The CHAIRMAN. Are you a married man?
Mr. HUNTON. Yes.
The CHAIRMAN. What is your profession?
Mr. HUNTON. I am a lawyer.
The CHAIRMAN. How long have you been a lawyer?
Mr. HUNTON. I came to the bar in 1877.
The CHAIRMAN. Will you state to the committee in your own way all that you know in regard to an alleged attempt, through you, to make improper approaches to your father as a Senator?
Mr. HUNTON. On Sunday, the 1st day of April, I would say between 1 and 2 o'clock, I was at my home in Warrenton. The door bell rang; I answered the bell myself. I found a man there who asked for me.
The CHAIRMAN. A stranger to you?
Mr. HUNTON. A stranger absolutely. When he found out who I was he said that he wished to see me. He told me his name, and handed me a letter of introduction. I glanced at the letter, without reading it, however, I think to discover his name, which I had not noted. I have the letter of introduction [producing paper].
The CHAIRMAN. This is the letter to which you refer?
Mr. HUNTON. Yes; unless I have made a mistake.
The CHAIRMAN. We might as well read it now.

472 LOUISIANA AVENUE NW.,
Washington, D. C., March 20, 1894.

Hon. EPPA HUNTON, JR.:
DEAR SIR: This will introduce Maj. C. W. Buttz, formerly a resident of Virginia, and an ex-member of Congress.
I have known Maj. Buttz for twenty-five years, and you will find him an honorable, worthy gentleman. He has some business here before the Land Office and desires your assistance.
Yours, respectfully,

JAS. W. WALKER.

Mr. HUNTON. As I said, I did not read the letter when it was presented; but when Mr. Buttz told me that he wanted to see me on private business I invited him into the parlor. We went in, and he began by saying some complimentary things about father. He then began to speak about my course in the last legislature of Virginia, and said some pleasant things about it. I think at that point, though it is very hard to fix the sequence, he referred to the letter of introduction, and said that he purported in the letter to have some business before the Land Office, but that he wanted to see me about a different matter. He said he wished to employ me as a lawyer in a matter in which he was willing to pay a contingent fee of $15,000. I told him to state his business. He said that he was very much opposed to the passage of the tariff bill as reported from the Finance Committee of the Senate, and that he was particularly interested in the defeat of the income-

tax feature of the bill; that there were some arguments against the measure which he wished me to understand and present to my father, and that if they succeeded in convincing him, my father, he would pay me a fee of $25,000—if he voted against the bill. He said that the bill was already defeated by a majority of three votes, but he wanted to make it absolutely certain, and therefore wished my father's vote. I told him at once, and very positively, that I would not for a moment consider a proposition to receive compensation for the purpose of influencing my father's vote in the Senate. He at once dropped the subject—my manner was determined—and began talking indifferently about other matters. I can not detail all of that. He talked, possibly, somewhat generally, about the tariff bill, although to a very limited extent, and he then gave me something of his own history.

The CHAIRMAN. What did he say about his own history?

Mr. HUNTON. He said that he had been a resident of Virginia soon after the war; that he was anxious for a nomination from the Norfolk district when Platt was nominated, the man who had a contest in the House with Mr. John Goode some years ago, but that he failed in that nomination in some way; that he afterward fell out with Governor Wells, and was a participant in the Walker movement, which resulted in the election of Gilbert Walker as governor of Virginia. He told me that after that he moved to South Carolina, and was elected to Congress from South Carolina. He then told me that he had gone to one of the Dakotas, and was now a Populist. That is about all I can recall of the conversation. During this general conversation he returned again to this proposition to employ me.

Senator DAVIS. What did he say in that second attempt?

Mr. HUNTON. I can not tell you. It made the impression on my mind that he wished to come back to the subject; but what it was that he said to create that impression I can not state. I at once told him that that subject was an ended matter between us, and I wished to hear nothing further about it. That, I believe, is all of the conversation that I can recollect.

Senator DAVIS. How long was the man in your house?

Mr. HUNTON. It is very hard to form an estimate; I should say fifteen minutes. It was on Sunday, and dinner was rather earlier than usual. The dinner bell rang, I showed him to the door, and went to my dinner. After dinner—I can not fix the time at all accurately; I would say it was in the neighborhood of 5 o'clock, as nearly as I can come at it, possibly earlier, if anything—I was lying down in my chamber when the doorbell rang. The servant happened in the chamber, and I told her when she answered the doorbell to say we were lying down. She returned in a very short time and brought with her a card from this same man. I am sorry to say that I did not preserve that card. Upon it, however, was a certain address in Washington, and written in pencil the request that if I came to Washington during that week to let him know that I was here. The man had left when the woman returned with the card.

Senator DAVIS. Do you remember that address?

Mr. HUNTON. I do not. I am satisfied it was F street. My recollection is vague and can not predicate anything upon it. The impression made upon my mind during this inquiry was that it was the purpose of this man to employ me as a lawyer to present to my father legitimate arguments against this bill. I was in my own house. It was on Sunday. It was on the 1st of April, before any considerable amount of talk had come to me, at least, of a use of any corrupt means in connec-

tion with this bill. I was absolutely unsuspicious. My father has arrived at the age of 70 years; a number of them have been spent in public life. He held a position in the body that determined the formation of this Government for four years, the result of which was decided by a vote of one majority. His character was always above suspicion. I, myself, at least my life has been open. I felt that to some extent I had such a reputation as to render me free from suspicion; that by my own life, as well as by inheritance, under my own roof, I should have been at least protected from an approach of a corrupt character. I therefore say that I was entirely unsuspicious; that it never crossed my mind during the interview that it meant what I now believe to be its true import. Had I understood it in the way in which I now believe it to have been intended, and as subsequent events have confirmed it to be, my conduct with Mr. Buttz would have been very different from what it was.

I think it was the natural light in which to receive a statement of this sort under those circumstances. I believed that it was nothing more than an effort to employ me as counsel to present legitimate arguments to my father for the purpose of controlling his vote, so far as those arguments could, in the Senate. Such employment was abhorrent to me and was positively and promptly declined, for the dual reason that I was unwilling to accept compensation in such a service, and for the additional reason that I believed the bill contemplated was one that should pass. It was one that the party to which my father belongs was committed, and under no circumstances would I consider a proposition of that sort for a moment. The proposition for his compensation to me I should not say lasted over two minutes. He never renewed it, although this attempt to renew it I thought I discovered.

Permit me to tell what I subsequently did in the matter. My father returned home, on the Saturday, I think, of that same week. I at once, at the dinner table, told him of it, and we discussed the conversation. The repellent character of the interview grew upon me. I read the letter of introduction for the first time after the man had left, and so far as I could recall I had never known and had never heard of the man who gave Mr. Buttz the letter of introduction.

Senator DAVIS. Let me ask right there if Mr. Buttz said a word in that interview about any business in the Land Department?

Mr. HUNTON. Except that he alluded to the letter of introduction to say that that purported to be his business there, but that was not his true business. The man who gave the letter of introduction has since been identified, and I am confirmed in my belief that I had never seen nor heard of him before.

I went to dinner, and there this conversation was discussed. The repellent character of the interview grew upon me; my indignation began to increase; I talked with friends about it as they came in my way, and its true character occurred to me. I think on the Saturday of that week, certainly the latter part of the week, my father returned from Washington, and very soon after he arrived I told him of the whole matter. He and I talked it over quite fully; discussed as to what should be done by either or both of us, and it was determined that he should go to Washington and inform some of his Senatorial friends what had occurred; lay the whole matter before them for their judgment. These occurrences having taken place in the week beginning the first of April, I think my father went to Washington the 8th or 9th.

Senator LODGE. The 9th——

Mr. HUNTON. The 9th. I think he returned quite early that week

sick. He told me that he had conferred with some of his friends here, and that the result of the conference was that I should write a statement of what had occurred, as well as I could remember it, and give him the letter of introduction, that he might have it with him; that if the occasion arose upon which it could be done, or if his friends thought it was proper that any steps should be taken in the matter, the material would be at hand. I have a copy of that letter if you gentlemen wish it.

Senator LINDSAY. I think it would be better to have it come in.

Senator ALLEN. Let it go in as a part of Mr. Hunton's statement.

Mr. HUNTON. I would rather have it go in. I think I have stated everything in it. I did not make one point plain in this statement. There is one omission from the letter, and that is as to his statement about the business before the Land Office. I think that is not in the letter. There is another point in the letter I do not make clear, and that is, when the card was brought me the man had left. He was not at the house, and I was in deshabille in my room. I can recall nothing further.

The CHAIRMAN. You can look over the letter and refresh your mind on any points about which you wish to speak.

Mr. HUNTON. I have looked over it, and will do so again.

Senator LINDSAY. Did this man tell you he represented anyone?

Mr. HUNTON. He told me that he was opposed to the tariff bill as reported from the Finance Committee, and was especially opposed to the income-tax feature of that bill.

Senator LODGE. Did he say he represented anyone, or acted as counsel or agent for anybody?

Mr. HUNTON. I can not say that he made it any stronger than he was especially opposed to the income-tax feature of that bill. Whether he said he represented those who were opposed to the income-tax feature of the bill, I can not tell; I do know that he created the impression upon my mind by his statement that his special object was his opposition to the income tax. I think I made that comment to him in the conversation, that it was a curious position for a Populist.

Senator DAVIS. How long had you known Mr. Walker, who gave that letter of introduction?

Mr. HUNTON. To my knowledge I had never seen him in my life. As I told you, I did not read his letter until after the man left. After he left the interview was very much enhanced in my mind, from the fact that he came with credentials from a man who, if I had ever known, was such a casual acquaintance that I could not recall having heard of him. Since then the man Walker has been identified, and I can not recall that I had ever heard of him. He was a Virginian.

Senator DAVIS. Did Mr. Buttz give the name of any man in this business who had money?

Mr. HUNTON. No.

Senator DAVIS. Did he claim to represent any business interest, sugar or otherwise?

Mr. HUNTON. Unless he represented those who opposed the income tax; that was all he represented.

Senator LODGE. As I understand you, it was the income-tax feature and not the customs feature?

Mr. HUNTON. Yes. He told me that he was interested in the defeat of the tariff bill as reported by the Finance Committee, and that he was especially opposed to the income-tax feature.

Senator DAVIS. And his first offer was $15,000?

Mr. HUNTON. Yes; a contingent fee of $15,000.

Senator DAVIS. And he afterward increased his offer to $25,000?

Mr. HUNTON. After he completed his business he stated the result——

Senator DAVIS. Did you in the meantime say anything by way of repulsion of his offer that caused him to raise his offer?

Mr. HUNTON. Nothing at all. I think I had been absolutely silent during the statement of his business, as well as I can recall.

Senator DAVIS. Did he say when it was to be paid?

Mr. HUNTON. No; he did not discuss the details at all.

Senator DAVIS. What was the contingency upon which it was to be paid?

Mr. HUNTON. Upon the vote of father against the tariff bill.

Senator DAVIS. Not upon the defeat of the bill, but upon your father's vote against it?

Mr. HUNTON. His vote, as I understood it.

Senator DAVIS. Did he submit any written argument, or wish you to submit one to your father?

Mr. HUNTON. No; we did not discuss the details at all. As soon as the proposition was detailed it was repulsed, and there was an end of the conversation.

Senator LODGE. You, of course, knew absolutely nothing about him except what was stated in this letter, and that was from a man whom you did not know?

Mr. HUNTON. I did not know at the time.

Senator LODGE. I know that is all you knew absolutely about it?

Mr. HUNTON. Never heard about him. When he figured in Virginia politics it was in my youth, and I did not remember him.

The CHAIRMAN. In what form did the man Buttz make the statement that $15,000 and afterwards $25,000 would be given to you?

Mr. HUNTON. What form?

The CHAIRMAN. Did he say that he would give it, or it would be paid you? Do you recollect that?

Mr. HUNTON. I could not tell whether he said he would pay me a fee of $15,000 or $25,000, or that it would be paid.

The CHAIRMAN. Did he say, "I will pay you?"

Mr. HUNTON. I could not tell you what his language was.

Senator LINDSAY. Did he tell you he was an attorney?

Mr. HUNTON. I think not.

The CHAIRMAN. You said here that he wanted to employ you in some business, and was willing to give you a contingent fee of $15,000.

Mr. HUNTON. Yes.

The CHAIRMAN. That was said before his business was stated. After his proposition was stated he wound up by saying $25,000?

Mr. HUNTON. Yes.

The CHAIRMAN. That is as nearly as you can recollect—a contingent fee of $15,000, and afterwards $25,000?

Mr. HUNTON. Yes.

Senator ALLEN. Did you ask Buttz whether his visit to Warrenton was principally on this business or not?

Mr. HUNTON. I asked him no questions whatever. I understood that his proposition was formulated and completed, and I closed the subject.

Senator ALLEN. Did you learn from him where he had been spending the winter?

Mr. HUNTON. I did not.

Senator ALLEN. Or whether he professed to be an attorney or not?

Mr. HUNTON. I do not know. He registered at the hotel from Richmond, so I have been informed. I have never looked at the register.

Senator ALLEN. Did you gather from his conversation at any time that he was representing himself particularly on some other business or interest?

Mr. HUNTON. That was a mere matter of inference. I think I have stated the facts as fully as my memory permits.

Senator ALLEN. Your conversation with him did not lead you to suppose that he was personally interested in the defeat of the bill?

Mr. HUNTON. No. Several of you gentlemen asked me whether he was an attorney. He told me, I think, that he was a Populist farmer in Dakota.

Senator ALLEN. Did he say to you how he came to be in Washington or Warrenton?

Mr. HUNTON. No. I think he said that he had come to Warrenton to see me about this business. I think he said that.

Senator ALLEN. But during the conversation did he say anything that indicated that he came on his personal responsibility, to protect his own interest, or as an agent or attorney for some other interest?

Mr. HUNTON. I think I have given everything of the conversation.

Senator ALLEN. You formed a conclusion yourself at the time with reference to that?

Mr. HUNTON. I think I did.

Senator ALLEN. What was that?

Mr. HUNTON. My belief is that he was not speaking for himself.

Senator ALLEN. That he was speaking for somebody else?

Mr. HUNTON. He said he was representing those who were opposed to the income tax. My own judgment was that he was not a man who was opposed to that tax individually. But that was a pure matter of inference.

Senator ALLEN. Did he indicate in this conversation that it was an organized attempt to defeat the income tax?

Mr. HUNTON. No further than I have told you.

Senator ALLEN. He did not tell you who the persons were or where they resided?

Mr. HUNTON. No.

Senator ALLEN. You did not think that a Dakota farmer had much interest in the income tax?

Mr. HUNTON. I think not. I think I remarked to him that it was a very singular position for a Populist farmer to occupy.

Senator DAVIS. What did he say to that?

Mr. HUNTON. I can not recall.

Senator LODGE. He did not bear the evidence of being a Populist farmer or any other farmer, did he?

Mr. HUNTON. No.

Senator LODGE. Were you impressed with anything peculiar about the man's manner?

Mr. HUNTON. The impression made on my mind was that he was a man of blunted sensibilities; that he came to my house to make a proposition that was intensely disagreeable to me. During the conversation and as soon as the proposition was made, I stopped talking. I suppose it was marked—the idea I was conveying by my manner, that I did not wish any further talk and that the time to leave had come, and he said, in a rather deprecating way I thought, "Am I detaining you from anything?" And I rather reproached myself mentally. I thought, "This man has made a proposition which is very unpleasant to me; possibly

he is a man of blunted sensibilities; he does not see this matter as I do, and I am being rude to him in my own house." I said, "No;" and he went on with his autobiography.

Senator ALLEN. Did he inform you as to where his residence was or his office in this city was at this time, or explain that he had this letter of introduction to you?

Mr. HUNTON. No.

Senator ALLEN. You did understand from him that he had met this man Walker in Washington?

Mr. HUNTON. Yes; and I think I understood from him that he came from Washington.

Senator ALLEN. You mean Mr. Buttz?

Mr. HUNTON. Yes.

Senator ALLEN. Did you understand from him who Walker was?

Mr. HUNTON. I did not. His name was not called that I remember.

Senator ALLEN. However, you understood that they were together in Washington in some way, or inferred that?

Mr. HUNTON. No; I drew no inference with regard to Mr. Walker. The letter was not read until after Mr. Buttz left.

Senator ALLEN. You say you have since learned who Mr. Walker was?

Mr. HUNTON. I am told he was a man from Madison County, Va., and that he was at one time a member of the Virginia legislature.

Senator ALLEN. Do you know where Mr. Walker makes his residence?

Mr. HUNTON. I do not.

Senator ALLEN. Do you understand him to be a resident of this city?

Mr. HUNTON. I understand he is here, but I do not know whether he is a resident or not. At one time he lived in the southwestern section of my State.

Senator ALLEN. You did not gather any idea as to his business?

Mr. HUNTON. No. He did not wish father to know that I was to receive a fee in the matter. He did state that.

The CHAIRMAN. Is that a fact?

Mr. HUNTON. Yes. It is also a fact that he said father's public life was at an end.

I would like this letter to my father to form part of my statement here.

The letter is as follows:

WARRENTON, VA., *April 16, 1894.*

MY DEAR FATHER: As requested by you, after conference with some of your friends, I desire to state all of the facts as accurately as I can connected with the occurrence at my house on Sunday, April the 1st.

I was at home and answered the doorbell in person. A man was there and asked for me. Learning who I was, he presented a letter of introduction. Without reading the letter of introduction, except to glance at it to ascertain the man's name, which I had not heard, I invited him in the parlor, he having stated that he wanted to see me privately on a matter of business. I inclose the letter. He commenced talking to me about you. He then spoke pleasantly of my course in the legislature last winter. He said he wanted to employ me in some business, and was willing to give me a contingent fee of $15,000. I told him to state the business. He stated that he was very much interested in defeating the tariff bill as reported from the Senate committee, and that he was especially opposed to the income tax feature of it, and that he desired to present to you certain arguments against the bill, and that he desired to inform me of these arguments that I might present them to you, and that if I succeeded in convincing you, and you did vote against the bill, he would pay me a fee of $25,000.

He stated also in the conversation that the bill was already defeated by a majority of 3 votes, but that they *desired to make the matter* absolutely sure, and were

anxious to secure your vote, but that he did not wish you to know that I was to receive a fee in the matter. He also stated that your public life was about at an end.

I at once told him that I would not for a moment consider a proposition to receive money to try to influence your vote as a Senator. I told him this in a very positive way and the subject was dropped.

He remained a short time longer talking about indifferent matters, during which he told me that he had been a resident of Virginia for a short time after the war, and joined in a movement that resulted in the election of Walker as governor, although a Republican; that he had desired to be nominated for Congress when Platt had first been nominated by the Republicans in the Norfolk district; that he had moved to South Carolina and represented a district in that State in Congress as a Republican; that he was now living in one of the Dakotas and was a Populist.

During the general conversation he sought to again direct the conversation to his proposition to me. I told him I desired to hear nothing further from him on that subject.

After dinner the doorbell rang, and I told the servant to tell whoever might be there that I was lying down. She returned with a card from this man with the request written on it that if I were in Washington during the week I would inform him of it at a certain address. This card I did not preserve. I have neither seen nor heard of this man since.

I have stated all that occurred as accurately as possible, and I am sure I have stated the interview with absolute accuracy, but without any effort to give the language and with no doubt as to its accuracy, except as to the order in which statements were made.

Your affectionate son,

EPPA HUNTON, JR.

Gen. EPPA HUNTON,
Washington, D. C.

SWORN STATEMENT OF SENATOR JAMES H. KYLE.

The CHAIRMAN. You are a Senator from the State of South Dakota?

Senator KYLE. Yes.

The CHAIRMAN. And are serving out your term now in the Senate of the United States?

Senator KYLE. Yes.

The CHAIRMAN. How long have you been a Senator?

Senator KYLE. Beginning March 4, 1891, to end March 3, 1897.

The CHAIRMAN. Have you been in attendance on the present session of the Senate continuously?

Senator KYLE. Yes; continuously since the 5th day of January.

The CHAIRMAN. Will you state to the committee in your own way all you know in regard to an alleged attempt to bribe you by someone to influence your vote on measures pending in the Senate?

Senator KYLE. I will state that I did not consider it a matter of very great importance at the time that such a thing occurred; but I was approached by a gentleman in the neighborhood of two months ago, during the last week in March, and several times. The gentleman referred to is known as Maj. C. W. Buttz, of North Dakota, whom I had known for some time. In fact, he had been to my committee room in reference to certain amendments to the sundry civil bill. I knew him as Maj. Buttz, of North Dakota, who had formerly been a member of Congress from South Carolina, who had the privilege of the floor of the Senate and the House, and whom I had seen for two or three years around Washington.

The CHAIRMAN. Did you know him during his residence in North Dakota?

Senator KYLE. No; I had not known him there at all, except I had known him by hearsay. The first time I met him was in Washington, he having approached me in reference to certain amendments which he wished made to the sundry civil bill.

The CHAIRMAN. When did you meet him?

Senator KYLE. The latter part of January or first of February.

The CHAIRMAN. Of this year?

Senator KYLE. Yes. The amendments I considered all good, and I went before the Judiciary Committee to make a statement about one amendment to the sundry civil bill. Later he probed me to know what I thought of the tariff bill. That was during the last week in March. He came to my house one morning about 8 o'clock, and opened up the conversation about his proposition, his amendments, and wanted to know if they could not be considered in committee during the week.

The CHAIRMAN. These were amendments to the sundry civil bill?

Senator KYLE. I told him that I would go before the committee to argue the acceptance of an amendment relating to some land claims in the State of Montana. He asked me if I was going down to my committee room. I said yes, and he said he would walk along with me. On our way from my house down to my committee room, he asked what I thought of the tariff bill. I said I thought it was an improvement on the McKinley bill. He said: "You are not satisfied with the bill, are you?" I said: "No, many things I am not satisfied with." I did not care to define the particular things. He said: "How do you intend to vote on the tariff bill?" I said I would not state how I would vote. He said if certain amendments were offered and the income-tax amendment is killed, could I vote for the bill? I said I could not vote for the bill if the income-tax feature were taken off. I said: "I am not prepared to say what I should do." He said: "We have the income-tax feature killed; we have 11 votes against that feature."

The CHAIRMAN. Eleven majority?

Senator KYLE. Eleven majority. He said, "We have a majority of 3 against the whole bill." He said, "The bill will be defeated." I said, "I do not know anything about that; I could not say what shape the bill is going to be in until we get through with the amendments; never can tell." He said, "We have great interests to look after in the Northwest; we have wool, barley." I said, "I recognize that." He said, "You know the Northwest is developing as a sheep country, and grain country, and all this, and you ought to look after the interests of your constituents." I said, "I expect to look after the interests of my constituents when I vote." He said, "I would like to have a talk with you"; and he handed me a report on the wool interests made by Senator Mitchell—not a report, but a memorial presented by the woolgrowers. He asked me to look it over. I did not state to him what I expected to do, but I told him that I would look the matter over carefully and expected to cast a vote that would be in the interest of the woolgrowers of South Dakota, because my people were interested in that industry. The next day, I think, or the next day or two, he came to my house again in reference to his amendment.

Senator ALLEN. An amendment to the sundry civil bill?

Senator KYLE. Sundry civil bill. That was ostensibly. He did not mention but a few words about that. He walked down to the Capitol again and asked what I thought of the memorial presented by Senator Mitchell. I told him that I had not read it. He said, "It is to your interest to vote against the bill if they are going to put wool on the free list." I told him that I expected to cast a vote when the time came that would be in the interest of my constituents. He said, "the matter is of very much interest to us up there." I said, "I am interested, too—my constituents are interested in wool." He said, "there is something in it if we defeat this bill; it is defeated anyhow; the

income tax is defeated by 11 majority; you fellows can not vote for the bill with the income tax off; but what you do we want you to do conscientiously—we want you to vote against this bill." I said, "Is that so?"

My first feeling, of course, at such a time as that, was to give the man a kick and land him to the other side of the street; at the same time, I felt a special interest in the matter of bribery. I had often heard that money had been used to influence legislation in the U. S. Congress, and my idea was to get hold of any facts, to see if there was any money being used to defeat this bill or any other bill. I concluded to lay the trap to see if he would fall into it. I asked him how much was in it. "Why," he said, "there is a good deal in it;" and he said, "there are men here who are trying to defeat this bill, and they have the money to defeat it, and you might as well have your share of it." I said, "Who?" He said, "There is a syndicate organized to defeat this bill, and they represent a good deal of money." I said, "Is that true?" He said, "Yes; it is true." And he said, "They have their representatives here in Washington." He said, "The other side has their money furnished by England; I understand that is true; but they have a syndicate organized to defeat the bill, and I have seen the man who has the money here—he is here in Washington, and he has asked me to see certain parties in the Northwest, and thought you were independent, did not know how you were committed on this bill, and I want to know how you feel about it; do not consider this as a bribe, but I want to know whether you are going to vote against the bill, and we will see that you are taken care of; we have the money to see that you are taken care of."

I said, "How much will they give a fellow?" He said, "You can have any sum you name; we have three votes now against the bill, a majority against the bill, but we want to make sure in case any man slips up before the final vote—you can have any sum you name, $50,000, $75,000, or $100,000." Says I, "I have not read this report yet; you come to see me again at my committee room," and we parted then. He came to see me at my committee room another day. It occurred in the last week of March. I am sorry I did not take down the particular date, but it was just shortly after Mr. Mitchell presented his memorial on wool. It was after this copy came out he presented it to me and asked me to look it over. He came in the committee room and went over the same conversation we had gone over before, all but the point about the money. He said, "This agent is here in Washington, and he has the money with him, and he has authorized me to say that I can give $15,000 to any man who will vote against this bill—that I can have $15,000 for this purpose, you can have $14,000 for that and I can have $1,000 myself." I said, "That is a pretty good sum to offer for a vote." He said, "You may hesitate, of course, about doing this; you need not figure in the matter yourself at all; I can have this money go to your secretary or any member of your family—you need not figure in the matter at all so that anybody need know that you had anything to do with the matter at all."

Said he, further, "This is a matter of interest to you; it is one chance in a lifetime to get a good sum of money." He said, "I need the money, too; you know how we have to struggle up in the Northwest. I have been down here all the winter presenting claims, and I have to do it on a percentage, and I do not get the percentage until the cases are through; a thousand dollars would be a good deal to me." Said I, "It is not exactly the straight thing for a man to enter into a combination

to take a bribe for a vote on a bill of this kind." He said, "Why, you might just as well have your share, and need not figure in the matter at all; there are a great many down here do it, quite frequently; prominent men do such things as this." Said I, "I will see you further about this."

The CHAIRMAN. Did he name any men who had done it?

Senator KYLE. No; he did not name any men. Said I, "Is this money in Washington?" Said he, "Yes; it is in Washington; the agent is a banker and is from New York: he has been here, got the money, and is acting as agent for this syndicate that has the money to defeat the bill." Said he, "I have met him." I asked him to go back again and see what arrangements we could make, etc., with this agent. He went back to the agent, and reported the next day.

The CHAIRMAN. That is, reported that he had been back?

Senator KYLE. Reported that the agent was very anxious that the matter should be fixed at once. He said he would put the money in the hands of some parties from whom it could be gotten as soon as the vote was cast. He said if he could not settle it with the man he was working with, then he would strike some other party. I told him to come around the next day; I wanted to see him further about the matter. I was going down to the Department; he wanted to talk very badly, and when we got down town near one of the hotels I told him, "Now, Buttz, you have gone through this whole matter very carefully, and I want to say here that I shall vote for this bill or against it as my own conscience shall dictate, but I do not want any money for it; that no money shall figure in the transaction whatever." Said he, "You might just as well take it; we can put it in the hands of a third party, your secretary or whomever you may name; you need not figure in it at all." I said, "I do not care for your money; you had better see my secretary; my secretary and I were members of the legislature of South Dakota. We worked together in all matters, and I want you to see him."

Senator DAVIS. What is your secretary's name?

Senator KYLE. Duncan S. McFarlane.

The CHAIRMAN. What object had you in referring Mr. Buttz to your secretary?

Senator KYLE. I am going to state. I said, "I want you to see my secretary and explain the matter fully to him." I thought I had gotten him as far as I could carry him, and I wanted to get from him the names of the party from whom he expected to get the money, and after I had got out of him all that I wanted, I wanted him to see my secretary and have him corroborate it as a witness, because I thought as the bill progressed something of the kind might come up, charges of bribery, and I wanted the fact in my own mind that the money had been offered to members of Congress to vote upon a particular question as they might wish. I had often heard of the fact, and I wanted it established, and I had it all stated to my secretary that he might corroborate it.

I will state further in regard to this that after the first time that I met this gentleman I went to the Senate Chamber and told Senator Bate the fact that money was being used to try to defeat the present tariff bill. That was, I think, after the first time I met Mr. Buttz. After the first day I met Mr. Buttz I talked the matter all over with my secretary, Mr. MacFarlane, and told him everything Mr. Buttz stated. After the second meeting I stated the whole circumstances to my secretary. After the third meeting I stated all the circumstances

to my secretary, in order that he might be posted as to what was going on, and the statements that he made to my secretary were jotted down on a piece of paper.

Senator LODGE. The statement that he made in the presence of your secretary was taken down?

Senator KYLE. Yes.

Senator DAVIS. After you desired him to do it, Mr. Buttz went to your secretary and restated the whole thing?

Senator KYLE. Yes.

The CHAIRMAN. What did he say when you suggested that he go to your secretary?

Senator KYLE. He said, "Will it be all right if I go to Mac?" I said, "Go to Mac and make whatever statement you choose, because I want him to know everything that is going on." I told him that it would be entirely satisfactory whatever he did with him. I went to Senator Voorhees and stated to him that there was an attempt being made to defeat the present bill, and to watch out. Senator Coke was there at the time, and I told him. I did not tell him the name of the party, but to be on the lookout. I then let the matter drop, and did not expect to use it publicly, but had all the facts in case it should be brought out, not only in defense of myself, but I intended to use them in some campaign I was going to carry on.

I do not know that I have gone over this fully or stated all the particulars of the interviews. If you choose, I will be glad to answer any question.

The CHAIRMAN. If you have any memoranda, just use them to make your statements as full as possible.

Senator KYLE. I think I have covered nearly all. I repeated to my secretary the last interview, told him that I had sent Mr. Buttz to him, and instructed him to meet him the next morning or evening, I have forgotten which—the secretary has the point in connection with that—and to be prepared to take down anything Mr. Buttz said to him; to have it all in good shape. My secretary has all the facts, and as he stated them to me, I have gone over them particularly.

The CHAIRMAN. Is he in town?

Senator KYLE. Yes.

The CHAIRMAN. Is he at the Capitol?

Senator KYLE. Yes; and as I said, he corroborated everything I stated to him.

Senator DAVIS. When did your personal acquaintance with Mr. Buttz first begin?

Senator KYLE. I think it was about the time the sundry civil bill was reported this spring.

Senator DAVIS. This session?

Senator KYLE. Yes; this spring.

Senator DAVIS. You had not known him personally before?

Senator KYLE. I had not known him personally, except by hearsay, as being a member of Congress from South Carolina and a man who lived in North Dakota.

Senator DAVIS. What did you understand his business in North Dakota to be?

Senator KYLE. Farming up in Buttzville.

The CHAIRMAN. Do you know as a fact that he is a farmer?

Senator KYLE. Only that I have been told that he is a farmer. He told me that he had to go back there.

Senator DAVIS. This amendment to the sundry civil bill is in reference to the repeal of a statute relating to land interests?

Senator KYLE. Yes; I introduced that amendment for Mr. Buttz.

Senator DAVIS. The one that was introduced by you a short while ago?

Senator KYLE. Yes.

Senator DAVIS. He said that there were two classes of men here, one to pass the bill, the other to defeat it with money—one English people and the other people of the United States?

Senator KYLE. He said there was a syndicate organized to defeat this bill; that they had an unlimited supply to do it with; and he said the other fellows have the money to pass the bill.

Senator DAVIS. Where did he say that money was to come from?

Senator KYLE. That is what he said.

Senator DAVIS. Did he say how much money was at the disposal of either of these interests for that purpose?

Senator KYLE. No; only an unlimited amount, the one he represented.

Senator DAVIS. Did he say where the money was?

Senator KYLE. He said the money was raised in the East. The syndicate was a New York syndicate, the agent was from New York and was here in Washington.

Senator DAVIS. What did he say about the money raised in England?

Senator KYLE. He did not speak about that; that was merely a casual remark to show that there was money raised on both sides.

Senator DAVIS. Not what interests—whether sugar, iron, or anything else?

Senator KYLE. No. In all his remarks to me he did not specify, but referred to the bill as a whole.

Senator DAVIS. Did not say what interests, whether sugar, iron, wool, woolens, or any other interests comprehended in the pending bill, this money had been raised?

Senator KYLE. He did not specify any particular thing for which the money had been raised, but generally to defeat the bill. His own individual interests he referred to. He was interested in wool, and used that as an argument why I should defeat the bill, my own State being a wool State.

Senator DAVIS. Did Mr. Buttz ever approach you after you directed him to see your secretary?

Senator KYLE. No.

Senator DAVIS. Did you ever have any conversation with him since?

Senator KYLE. No; I think he went off to North Dakota.

Senator DAVIS. You have just returned from South Dakota?

Senator KYLE. Yes.

Senator DAVIS. Have you seen Mr. Buttz since then?

Senator KYLE. No.

Senator DAVIS. In your conversation you gave him to understand that you were to vote for this bill, and rejected any money consideration?

Senator KYLE. I absolutely rejected. I told him that I should vote for or against this bill as my conscience would dictate.

Senator DAVIS. Having so rejected him in that way—his proposition—why did you refer him to your secretary?

Senator KYLE. For corroboration of these facts.

Senator DAVIS. When did it first occur to you to refer him to your secretary?

Senator KYLE. My first thought was to conceal my stenographer behind my screen in my committee room, but I could not do that properly, because he might come behind the screen.

Senator DAVIS. When did you conceive that thought?

Senator KYLE. From the start, the first time I started my conversation.

Senator DAVIS. Why did you not refer him to your secretary before you rejected his proposition?

Senator KYLE. My object in waiting was finally to get out of him all that he would state in regard to the source of this money that was being used—the parties that were using it. I wanted to get the name of the agent here in Washington. I made the statement to him in this way, when we came down last—I said, "You can not use any money with me, whatever; you go and see Mac and state all these facts to him, just as you have stated them to me."

Senator DAVIS. What did he say when you told him that?

Senator KYLE. He said, "Will it be satisfactory if I make these statements to him?"

Senator DAVIS. What did you say?

Senator KYLE. I said, "You go and make these statements to Mac." I did not say they would be satisfactory to him. He said, "May I go and see Mac in regard to this?" I said, "You may go and see Mac."

Senator DAVIS. Was your answer to his question, "What you arrange with Mac will be satisfactory?"

Senator KYLE. No; I did not say that it would be satisfactory if he made the statement to Mac.

Senator DAVIS. State what you did say.

Senator KYLE. Buttz at that time wanted to know—I said, "You go and see my secretary." I was playing the ruse all the while in order to get my secretary as a witness. I said, "You go and see my secretary; I do not want to do any business publicly, openly, myself; I want my secretary in this thing with me, if we are going into it." He said, "Can I go and see Mac?" I said, "Yes; go and see Mac."

Senator DAVIS. Was this conversation which you have detailed after you rejected Mr. Buttz's proposition?

Senator KYLE. He did not understand, because I was playing a ruse. I told him that I did not want any money for this; that I had absolutely rejected it—I did not want to give that impression.

Senator DAVIS. Was this conversation directly after what you said about voting on this bill on your conscience without any money consideration?

Senator KYLE. The statements that I made were just as I gave them to you a moment ago.

Senator DAVIS. Which was first and which was second?

Senator KYLE. After I told him that I should vote for the bill or against it according as my conscience should dictate, said he: "The money need not go to you in anyway whatever; some third party can receive it—your secretary or some member of your family."

Senator DAVIS. Then you told him to go to your secretary?

Senator KYLE. Not at all; I told him to go to my secretary before that.

Senator DAVIS. It was after you told him to go to your secretary that you told him that you should vote for the bill without any money consideration?

Senator KYLE. I told him beforehand to go to my secretary. Then I had a conversation with him about my own position on those ques-

tions, and then to go and see my secretary further in regard to this, because we always had our dealings together. I wanted him to make the statement to my secretary as he did to me, in order to corroborate the fact that he was using money for bribery.

Senator DAVIS. What we want to know is whether you told Mr. Buttz to go to your secretary before or after you had rejected his proposition.

Senator KYLE. I told him to go to my secretary two or three different times.

Senator DAVIS. You rejected his propositions but once, did you?

Senator KYLE. I rejected his propositions emphatically, and said, "You can go and talk with Mac; Mac will know how I vote on this bill."

Senator DAVIS. Was that before or after you rejected his propositions?

Senator KYLE. That was after I rejected his propositions.

Senator DAVIS. You understand that Mr. Buttz did go and talk with Mr. McFarlane, and Mr. McFarlane understood him to make the same propositions to him (McFarlane) that he had made to you?

Senator KYLE. Understood that he would give $15,000; he had $15,000, $14,000 of which he would give to him in case I voted against this bill.

Senator DAVIS. Did you inform Mr. McFarlane, when you indicated that Buttz would probably come to him, that you had rejected Buttz's propositions?

Senator KYLE. Yes; I told him from the start everything I knew about it.

Senator DAVIS. McFarlane understood that you were playing a ruse on Buttz?

Senator KYLE. Yes; I told him the first day. I came down to the committee room and told McFarlane everything that transpired—that I was leading Buttz into a trap.

Senator DAVIS. You have had no letters from Mr. Buttz since this began?

Senator KYLE. No.

The CHAIRMAN. I understand, then, that after these various conversations with Mr. Buttz, in which he opened up to you the scheme by which the bill was to be beaten, you finally told him one day, when you thought you had gotten out of him all that you could, how you should vote upon that bill would depend upon the dictates of your own conscience, and that you could not take any money?

Senator KYLE. Yes.

The CHAIRMAN. After that you referred him to your secretary to talk the matter over with him, leading him to suppose that your objection lay in dealing directly with him, and left it to your secretary?

Senator KYLE. I wanted to play a ruse on Buttz.

The CHAIRMAN. When you rejected his proposition you were playing the ruse on him that though you rejected it personally you were willing for him to go to your secretary?

Senator KYLE. That was the ruse I was playing. That will explain the point to Senator Davis—that when he made the remark it need not come to me personally, I said that I would vote for the bill as my conscience dictated, and he said, "The money need not go to you personally, but may go to your secretary or any member of your family that you may indicate." I said, "You go to Mac and talk it all over with him."

The CHAIRMAN. *Who is Mr. Mac?*

Senator KYLE. Mr. McFarlane, my secretary.

The CHAIRMAN. Did Mr. Buttz know him?

Senator KYLE. Yes; he was acquainted with him before. I said, "You go to MacFarlane and talk it all over with him; we will read the bill over; he knows how I will vote on this bill. You go and talk it over with him and he will know how I vote in the matter."

The CHAIRMAN. I understand you to state that in this first interview that you had with Mr. Buttz, he said you could have any sum you wanted, from $75,000 to $100,000, and the only sum he offered was $15,000. How did he go back?

Senator KYLE. He said he had talked the matter over, and all he could let me have was $15,000. He wanted to know if this was satisfactory.

Senator DAVIS. I think he said he declined to give the name of the agent here.

Senator KYLE. I did not ask him outright; I was trying to get him to state it of his own free will. But he did not state it to me and I was in hopes my secretary would get his name from him—the name of the agent who was here with the money. I do not know that he succeeded; I do not think he did.

Senator LODGE. I was not in when your testimony began, so that I may ask something already stated. You had known Buttz before this?

Senator KYLE. I had known him by reputation, of course; knew that he lived in North Dakota, had been formerly a member of Congress from South Carolina, and the fact that he was in Washington—had some business here before the Court of Claims, I think, as a lawyer, and that he was interested in one particular case relating to the Great Falls Town Site Company, in the interest of which he wanted an amendment introduced to the sundry civil bill.

Senator LODGE. He came to see you in regard to this amendment to the sundry civil bill?

Senator KYLE. Yes.

Senator LODGE. You introduced that?

Senator KYLE. Yes; I introduced that amendment, and I felt that it was a good measure. It had been defended on the floor by Senators Vilas and others two years before, and I think it should have gone through then, but it did not. It was defeated by Mr. Holman in the House. I offered it as an amendment to the sundry civil bill.

Senator LODGE. You considered Buttz, from what you knew of him, as a man who might be intrusted with large schemes of this kind, as a man to carry out such a scheme; that he was a man likely to be intrusted with an unlawful negotiation requiring the handling of large sums of money?

Senator KYLE. I considered him capable of doing business in this way. He had this large claim against the Interior Department of $100,000. He and Phil Thompson were interested together in it.

Senator DAVIS. What claim was that?

Senator KYLE. This claim before the Interior Department.

The CHAIRMAN. For himself, or another?

Senator KYLE. For another party whom he represents as a lawyer. He says that there are lands there valued at in the neighborhood of $100,000. They are at Great Falls. I never have been there, but I judge from the fact that as he was associated with Phil Thompson he is a lawyer of some importance. That gave him standing in my eye. I knew that he was a farmer living at Buttzville, a town named after him. I knew him to be a member of Congress from South Carolina and

entitled to the floor of the House. When he made the statement to me that he was looking after the Northwest in reference to this tariff bill I thought probably he was a man to be intrusted with this thing—that he was a man they would confide in, and properly, perhaps—he was a very sharp man, shrewd man, though his looks would deceive anyone, being cross-eyed. He looks very queer.

Senator LODGE. He mentioned no names to you?

Senator KYLE. No.

Senator LODGE. Simply spoke of a syndicate?

Senator KYLE. Syndicate here in Washington; and each day he had gone back and forth for the purpose of seeing this man. My hope was to get the name of the party.

The CHAIRMAN. Did you ask the name of the party?

Senator KYLE. I did not ask the name of the party. But I will say this: From the first day that he came to me I spoke to Senator Voorhees, to Senator Bate—Senator Bate was sitting near to me, and I told them to be on their guard; that money was being used around for the purpose of defeating the bill. I spoke also to Senator Coke, and told him and Senator Bate that a man was talking with me, and I was laying a trap for the purpose of catching him.

Senator LINDSAY. You told that to Senators Bate and Coke?

Senator KYLE. Yes. And I mentioned the matter to Senator Voorhees, I think, that money was being used to defeat the bill.

Senator ALLEN. This amendment to the sundry civil bill which you introduced for this man, as I understand it, was for the purpose of reinstating a contest then before the Interior Department and which had been once decided in favor of Mr. Buttz's client, but which decision was destroyed by reason of an act which was surreptitiously passed by Congress?

Senator KYLE. The bill passed Congress March 3, 1891, entitled "A bill to repeal the timber-culture laws," etc., in which there was a clause inserted intended to settle a great many disputed and contested cases.

Senator ALLEN. To quiet the title to certain lands?

Senator KYLE. Yes; to quiet the title to certain lands.

Senator DAVIS. By limitation?

Senator KYLE. Yes.

Senator ALLEN. The effect of that bill was to destroy pending litigation before the Interior Department?

Senator KYLE. To destroy what?

Senator ALLEN. For instance, there was a contest at this town of Great Falls, which had passed through the subland offices to the Interior Department, and which had been decided in favor of Mr. Buttz's client; that appeal was pending before the Secretary of the Treasury when this act was passed?

Senator KYLE. Yes; the contest was pending, and the effect of the bill was that it was not to affect contests then pending.

Senator ALLEN. And the bill was introduced by you to modify the act, so that it would not affect pending litigation?

Senator KYLE. Yes. I was told by the Commissioner of Public Lands that there were twenty cases so affected at the time, and at present two or three are affected by this amendment offered in the Senate.

Senator ALLEN. And this amendment which you introduced sought to repeal a certain clause which it was claimed was surreptitiously tacked on by a conference committee and passed?

Senator KYLE. Here is the case: There was not a member of the conference committee *understood that that* interpretation was to be

given to the law of 1891—understood that it was going to affect pending contests. Three of five members of the conference committee have written letters stating that they knew nothing of the pending contests.

Senator ALLEN. But the Interior Department construed the act of 1891 to affect those pending contests?

Senator KYLE. Yes.

Senator ALLEN. And this amendment was for the purpose of repealing this act, so far as it applies to that case?

Senator KYLE. Yes.

Senator ALLEN. And that is as far as you have had any connection with this man before the time that he approached you on the subject of the tariff bill?

Senator KYLE. That is the only one.

Senator ALLEN. You never knew anything about him personally before that.

Senator KYLE. No.

Senator ALLEN. Either as a corrupt man or as a lobbyist?

Senator KYLE. No.

Senator ALLEN. And all you know about him is as you formed your judgment when you from time to time met him?

Senator KYLE. Yes.

Senator ALLEN. He spoke to you on two or three occasions about defeating propositions in this tariff bill, and the first time was on the road from your house to the Capitol, when your first impulse was to use some violence toward him?

Senator KYLE. Sure.

The CHAIRMAN. Your impulse was to kick him across the street?

Senator KYLE. Yes.

Senator ALLEN. Your second impulse was to lay a trap to catch this man and those behind him?

Senator KYLE. Sure.

Senator ALLEN. Did you suppose that he was the outward representative of some person?

Senator KYLE. He said, "Right here is money you can have for that."

Senator ALLEN. You took him as the outward representative or agent of some syndicate?

Senator KYLE. Yes.

Senator ALLEN. Who had money?

Senator KYLE. The agent of the syndicate.

Senator ALLEN. Now, for the sole purpose of developing that fact, who these persons were, and the extent to which money would be used, you conducted these other negotiations?

Senator KYLE. For that sole purpose and nothing else.

Senator ALLEN. You had not the slighest idea of accepting his proffer?

Senator KYLE. To be sure, not.

Senator ALLEN. To that end you held two other conversations, for the purpose of developing these persons?

Senator KYLE. Two others; I think one in the street car.

Senator ALLEN. For the purpose of developing this bribery?

Senator KYLE. Yes.

Senator ALLEN. When you said to Mr. Buttz that you would not accept any money, or would act for or against the bill as it might present itself to you, he made the remark that you need not be known in the transaction; that the money could be given to your secretary or

some member of your family, or some third person, and reach you in that way?

Senator KYLE. That is true.

Senator ALLEN. For the purpose of laying the trap still further, and to make it more complete, so that you might have corroborate evidence of the facts, and with the hope that Buttz would develop the persons behind him in this scheme, you consented that he might approach your secretary, Mr. McFarlane, with whom he was acquainted, and unfold his purpose to him?

Senator KYLE. Exactly.

Senator ALLEN. Your sole purpose was to ascertain whether this man was representing a real scheme, and whether the money was really behind him, and the extent to which bribery was being practiced?

Senator KYLE. Solely so.

Senator ALLEN. You at no time had the slightest purpose of acceding to Buttz's wishes about the bill?

Senator KYLE. Not for one moment. From the first time my purpose was to lay a trap to catch the man, because I had heard that bribery had been resorted to in past years and I wanted to have a fact that I could put my hand on for campaign purposes.

Senator ALLEN. You felt that you could bear the insult to which Buttz subjected you if, by so doing, you could develop these propositions of bribery?

Senator KYLE. Yes.

Senator ALLEN. In this conversation with Mr. McFarlane, as I understand you, you told him from time to time exactly what Buttz said to you?

Senator KYLE. All these conversations that occurred each day I told after each meeting.

Senator ALLEN. Each day you informed Mr. McFarlane of your purpose to uncover this matter so far as you could?

Senator KYLE. Of laying the trap to catch this man.

Senator ALLEN. And when this man approached your secretary, Mr. McFarlane understood at the time, and the purpose was that whatever he might say to Buttz was for the purpose of catching Buttz and thus bind him?

Senator KYLE. The date was fixed for McFarlane to see Buttz for that specific purpose.

Senator ALLEN. And Mr. McFarlane, so acting on your suggestion and for that purpose, took a note of the conversation he had with Buttz?

Senator KYLE. Exactly so.

Senator ALLEN. Is Mr. McFarlane a shorthand reporter?

Senator KYLE. He is a shorthand reporter. I do not know how he took the notes down. He probably did not take them down in Buttz's presence, but he did it to keep track.

Senator ALLEN. Your conduct in this transaction has been to develop the extent to which bribery was intended to be practiced, and the persons by whom it was intended to be practiced?

Senator KYLE. Solely so.

Senator ALLEN. So far as Buttz is concerned, you never knew that he was a reputable or disreputable man?

Senator KYLE. I never knew anything about his character. I have seen something in the papers since, but not at that time.

Senator ALLEN. At the time that you formed his acquaintance in connection with this measure that you introduced for him, the repeal of the act of 1891, up to that time you had never seen him?

Senator KYLE. Never had seen him at all.

Senator ALLEN. And knew nothing about him, except that there was such a place as Buttzville, N. Dak.; a man by the name of Buttz, proprietor of the place?

Senator KYLE. Yes.

Senator ALLEN. At the time you examined that measure you thought it was a justifiable measure, and you so regard it now?

Senator KYLE. I do regard it so at present.

Senator ALLEN. There was nothing at that time, or any previous conversation, to indicate that Buttz was a corrupt man?

Senator KYLE. Nothing.

Senator ALLEN. Nothing more than like any other attorney having business before the Departments he was anxious to have the matter pressed through?

Senator KYLE. He came over to me and said Judge Holman had introduced it in the House, and he wanted somebody from the Northwest to introduce it in the Senate. He said: "Your colleague is on the other side"—and I knew he was—"and Senator Vilas had made speeches in favor of it."

Senator ALLEN. In meeting Mr. Buttz in connection with this bill which you introduced for him, you never thought anything about him, or anything of his conduct, or anything of his reputation in the direction of his being corrupt?

Senator KYLE. I knew nothing about the man.

Senator ALLEN. The first time that you knew the man was corrupt in his purposes was the time that he revealed his purpose to you on the road from your house to the Capitol?

Senator KYLE. That is so.

Senator ALLEN. Never before that time, by his conduct or his manner, did you know that the man was corrupt or had corrupt purposes?

Senator KYLE. That is true.

Senator ALLEN. And all your negotiations from that time on was simply for the purpose of developing the fact that bribery was offered and developing the persons who were using the bribery to reach Senators?

Senator KYLE. Solely so.

Senator DAVIS. Did Mr. Buttz ever disclose to you the names of any one of the 11 Senators who would vote against the income tax or any one of the 3 who would vote against the entire bill?

Senator KYLE. He did not tell those names.

Senator ALLEN. Did you ask him the names?

Senator KYLE. No.

Senator DAVIS. Will you kindly get for the members of the committee the amendment to the sundry civil bill that you introduced for Mr. Buttz?

Senator KYLE. Yes.

Senator ALLEN. There was never any presentation to you of any money at all?

Senator KYLE. No presentation nor tender of money.

SWORN TESTIMONY OF DUNCAN McFARLANE.

The CHAIRMAN. Where do you live?

Mr. McFARLANE. Pierre Point, S. Dak.

The CHAIRMAN. What is your occupation?

Mr. McFARLANE. Clerk to the Committee on Education and Labor.

The CHAIRMAN. Of which Mr. Kyle is chairman?

Mr. McFARLANE. Of which Mr. Kyle is chairman.

The CHAIRMAN. How long have you known Mr. Kyle?

Mr. McFARLANE. I have known him for about five years. We were members of the legislature together, and represented adjoining districts in the South Dakota legislature.

The CHAIRMAN. Have you been with Mr. Kyle ever since he has been in the Senate?

Mr. McFARLANE. Ever since he has been in the Senate?

The CHAIRMAN. Are you Mr. Kyle's private secretary.

Mr. McFARLANE. I am his secretary.

The CHAIRMAN. Do you know a Mr. C. W. Buttz?

Mr. McFARLANE. Yes.

The CHAIRMAN. Where does he live?

Mr. McFARLANE. I do not know.

The CHAIRMAN. Do you know by reputation where he lives?

Mr. McFARLANE. I have heard of his living in Buttzville, in North Dakota.

Senator DAVIS. What does the C in his name stand for?

Mr. McFARLANE. I do not know. I have known him only as C. W. Buttz, of Buttzville, N. Dak.

The CHAIRMAN. Have you ever seen him in North Dakota?

Mr. McFARLANE. No; I have seen his name mentioned here, but I did not know him in the State.

The CHAIRMAN. When did you meet him here?

Mr. McFARLANE. About two months ago.

The CHAIRMAN. Did you know him before that time?

Mr. McFARLANE. Not to speak to him. I have seen him about the corridors of the Capitol, but did not know who he was.

The CHAIRMAN. Did he have any conversation with you in regard to Mr. Kyle's vote on the tariff bill?

Mr. McFARLANE. Yes.

The CHAIRMAN. Will you tell when and where that conversation was, the first time you saw Mr. Buttz, and all you know about it?

Mr. McFARLANE. The Senator called on me one evening after the Senate adjourned, and we walked down the avenue together.

The CHAIRMAN. Do you recollect when that was?

Mr. McFARLANE. About two months ago. He told me that a man named Buttz had called on him and spoke about how he would vote on the tariff, and intimated to him that it would be worth a good deal of money if he would vote to defeat it. He said he tried to get out of him the name of the parties and all in connection with it, and he said: "I will tell you all about it in the morning." He said, "I told him that he had better call to see you and speak with perfect freedom." I said I would remember that. Buttz called on me the next morning between 9 and 10 o'clock and said he had seen the Senator the last night.

The CHAIRMAN. Did Buttz introduce himself when he came to see you?

Mr. McFARLANE. I had seen him once or twice in the committee

room talking with the Senator with reference to some bill, I think some town-site bill up in the Northwest. I saw them talking, but did not pay any attention. I think it was some town-site bill, but I had never taken any interest in what was said. Mr. Buttz commenced by speaking of the industries in the West, especially the wool industry, which would suffer if free-wool clause of the tariff bill should pass, and he thought it was the duty of everybody who had the interests of the country at heart to defeat that. I listened to all he had to say, and then he said he represented a firm of New York bankers and capitalists, and they had a good deal of money to spend in defeating that bill; that if the Senator would vote against the bill there would be $15,000; I would get $1,000 and he would get $14,000. He said, "I am not in this business for the love of it, but $1,000 would be a good deal to him." I said, "When will I get this?" He said, "Just as soon as the vote is cast." I said, "Where is the money?" and he said, "The money is all right; it will be placed in your hands in a sealed package." He said, "You can trust me." I said I did not know whether I could or not. He said, "You can trust me to pass the money over after the vote is cast." I said that I did not know that I could. I said, "Where is the money?" and he said in a bank in the city.

Senator ALLEN. Did he give the name of the bank?

Mr. MCFARLANE. No.

The CHAIRMAN. Did you ask the name of the bank or the firm?

Mr. MCFARLANE. Yes; and he would not tell me. He said that he represented a very wealthy firm.

The CHAIRMAN. Did he use the word "firm," or "syndicate?"

Mr. MCFARLANE. He used the words "syndicate of bankers and capitalists who were bound to defeat the bill." I told the Senator of the conversation that occurred. The room of the Committee on Education and Labor is narrower than this, and nobody could be in there without being seen. Several times Mr. Buttz came in and asked me to come out.

The CHAIRMAN. Before or after this proposition?

Mr. MCFARLANE. After this. He wanted to know what progress I was making with the Senator. I said, "Well, these things can not be decided in a day or an hour; I can not tell you point-blank what he will do." He wanted an absolute certainty that the Senator would vote that way.

The CHAIRMAN. How much time was occupied in this first conversation?

Mr. MCFARLANE. Probably three-quarters of an hour.

The CHAIRMAN. Can you recall anything else that was said besides what you have stated?

Mr. MCFARLANE. I do not remember. He mentioned no other people to me.

The CHAIRMAN. What did he talk about?

Mr. MCFARLANE. Mostly talking about the great hardship it would inflict on the woolen industry in the West. That was the clause of the bill that he spoke about mostly, and the injury that it would inflict on the people in the West.

Senator LODGE. Did you make any memorandum, or dot down any notes of what was said?

Mr. MCFARLANE. The first time that the Senator spoke to me about it——

The CHAIRMAN. When the Senator spoke to you about what?

Mr. MCFARLANE. About this man coming—I made a note. I just

said: "Senator Kyle told me of Buttz and of the scheme that he is working." I put it that "he is working for a syndicate of New York bankers and capitalists. Met him in the morning and had a long talk with him. He said that if I got the Senator to vote against the bill I would get $14,000 and he the balance."

Senator LODGE. Did you date that?

Mr. MCFARLANE. No; I did not date that, because I was intending if I could get anyone in the room to get full notes of that. But I could not get anyone.

Senator DAVIS. Read the balance.

Mr. MCFARLANE. That was all.

The CHAIRMAN. Did you make any other notes of what was said?

Mr. MCFARLANE. No.

The CHAIRMAN. Did the Senator state to you at any time, or when he said that Buttz was coming to see you, why he wanted to see you?

Mr. MCFARLANE. Yes; he said he often heard of these things happening in Congress, and he wanted to know if there was any truth in it, and, if possible, whether this man had anybody behind him. The Senator told me that the night before I met Buttz.

The CHAIRMAN. Try to recall as much as you can of that conversation between you and Mr. Buttz.

Mr. MCFARLANE. He commenced by speaking about the tariff, and what I said before about the way the sheep industry would be crushed if this free-wool clause went through; and he thought that anybody and everybody should try to defeat it. I partly agreed with him to hear the rest of what he had to say to me. Then he said that he represented this New York firm or syndicate, and that they had a large sum of money, but did not say how much money, to defeat the bill, and they were bound to do it; that if I could get the Senator, or if the Senator would vote against the bill, he would give me $14,000. Then he said, "I will get $1,000 for myself. Of course," he said, "$1,000 will pay me for this work around here, and you will get $14,000; nobody will ever know anything about it; it will be in a sealed package; it is here, and as soon as the vote is cast the money will be paid over to you."

The CHAIRMAN. What did you say to him?

Mr. MCFARLANE. I said, "I will see the Senator this afternoon and talk the matter over with him." He said, "How do you think he will vote on the wool question." I said, "Well, I do not know; he is preparing a speech on that wool question now, but it is not far enough advanced for me to say what he will do or which side he will take." I had been making up some figures on the wool question myself at the time. There were some people came into the room, and that closed the conversation.

The CHAIRMAN. You say that Mr. Buttz came to see you afterward?

Mr. MCFARLANE. Several times.

The CHAIRMAN. Did you ever have another interview with him?

Mr. MCFARLANE. Not extended. He was wanting to know what progress I had made with the Senator, and each time, to use the phrase, I would stand him off and tried to get the names of the people he represented himself to be with, but I could not. One day he called me to the door. There were a number of people in the room. He said, "I am going down town to see the people now, and I want a definite answer, if possible." I said, "I have not seen the Senator this morning; he is very busy, and I have no time to talk the matter over with him." I have not seen him to talk to since then.

The CHAIRMAN. How long after the first conversation in which he disclosed his object did these calls upon you by Buttz continue?

Mr. MCFARLANE. He would call in the next day and the day after.

The CHAIRMAN. How long a period did it cover after the first visit?

Mr. MCFARLANE. Probably it extended over a week or ten days.

The CHAIRMAN. What was the last interview you had with him, if you recollect?

Mr. MCFARLANE. The last interview was when he said he was going down to see the people.

Senator LINDSAY. He never came back?

Mr. MCFARLANE. He never came back.

Senator LODGE. When the Senator first spoke to you did he mention having more than one conversation with Buttz?

Mr. MCFARLANE. No; I do not think he did.

The CHAIRMAN. Had the Senator spoken to you before on this subject; I mean before the time he told you the man would call the next day?

Mr. MCFARLANE. No. If I remember aright Buttz called on the Senator at his house, and when the Senator saw me he told me about it. If I remember aright he told me about it.

The CHAIRMAN. The Senator told you of an interview with Buttz before he told you that Buttz was to call on you?

Mr. MCFARLANE. That was at the same time. I had seen Buttz frequently in the committee room when he was talking to the Senator on the bill that he had before the committee.

Senator LODGE. Did the Senator tell you his purpose in having Buttz call on you?

Mr. MCFARLANE. The Senator said to me: "I told Buttz to call to see you, and that he might speak with every confidence before you; that in everything we had been concerned together; we had been partners and gone in together."

The CHAIRMAN. Senator Lodge wants to know whether Senator Kyle told you his object in having Buttz call on you.

Mr. MCFARLANE. Senator Kyle said he wanted Buttz to call on me so that I would be a witness to these attempted bribes. He told me that was his object in having Buttz call on me.

The CHAIRMAN. After a week or ten days, when Buttz called at your room and wanted you to give a definite answer as to what the Senator's intentions were, he gave you as a reason therefor that there were parties down town whom he wanted to see, and you never saw him again?

Mr. MCFARLANE. Not on the subject.

The CHAIRMAN. Did you see him at all?

Mr. MCFARLANE. I think he came in once and said he had been out of town. He said that he thought he had left some papers in the committee room. He just stepped in and asked me if I had seen some papers there, a bundle of papers. I think he said he had been out of town visiting some place.

The CHAIRMAN. Have you any memoranda, or any means of fixing the date of these interviews?

Mr. MCFARLANE. No; I made none. In fact, while he was there, I could not take down anything that he said. I had not anything definite as to place or people.

The CHAIRMAN. Did you ask who any of the New York bankers or capitalists were?

Mr. MCFARLANE. Yes.

The CHAIRMAN. What did Mr. Buttz say?

Mr. McFARLANE. He said he could not tell me their names, could not tell me anything about them, except that they had plenty of money.

Senator LINDSAY. Did he tell you they were interested in the wool industry?

Mr. McFARLANE. He said they were interested in defeating this bill *in toto*, if possible. But in speaking about the defeat of the bill, it was mostly the wool industry that he spoke about—the sheep industry in the West that was being damaged by the bill, and that there was no protection on foreign products, and we ought to have it.

The CHAIRMAN. Fourteen thousand dollars was the amount that he was to give to you, according to his statement?

Mr. McFARLANE. Fourteen thousand dollars.

The CHAIRMAN. Was any larger sum mentioned?

Mr. McFARLANE. Just the $15,000—$14,000 that he was to give to me and $1,000 that he wanted for himself.

The CHAIRMAN. Did he say anything else about a larger sum?

Mr. McFARLANE. No; he did not mention anything else to me.

Senator DAVIS. Was this conversation that you have detailed between yourself and Senator Kyle the first conversation that you ever had upon this subject with the Senator?

Mr. McFARLANE. I think it was.

Senator DAVIS. That was the first intimation that you ever had that Buttz had been approaching him?

Mr. McFARLANE. The first intimation.

Senator DAVIS. Have you seen Mr. Buttz since this investigation was ordered?

Mr. McFARLANE. Yes.

Senator DAVIS. Have you talked with him?

Mr. McFARLANE. I said, "Good morning, major."

Senator DAVIS. Is that all?

Mr. McFARLANE. I met him at the door of the Maltby House, and he said, "Good morning, Mr. Mac," and I said, "Good morning, major."

Senator DAVIS. Is that all that occurred?

Mr. McFARLANE. Yes.

Senator DAVIS. Have you had any conversation with him on this subject?

Mr. McFARLANE. None at all.

Senator DAVIS. Did Mr. Buttz say anything to you about the income tax?

Mr. McFARLANE. Not that I remember.

Senator DAVIS. Did he say anything to you about how many votes had been secured in favor of the defeat of the bill or any particular portion of the bill?

Mr. McFARLANE. No.

Senator DAVIS. Did he state or claim to you that the votes of any other Senators had been secured for the defeat of the bill?

Mr. McFARLANE. No.

Senator DAVIS. Never mentioned the fact at all?

Mr. McFARLANE. If I remember aright, he said they wanted three votes.

Senator DAVIS. Did he say how many they had secured?

Mr. McFARLANE. No.

Senator DAVIS. You say that $14,000 were to go to you in the event of Senator Kyle voting to defeat the bill?

Mr. McFARLANE. That is right.

Senator DAVIS. Was there anything said between you and Mr. Buttz as to what you were to do with that $14,000?

Mr. MCFARLANE. It was tacitly understood that it was to go to Senator Kyle.

Senator DAVIS. You say you had but one conversation with Buttz where this matter was gone over?

Mr. MCFARLANE. In detail.

Senator DAVIS. You reported that conversation to Senator Kyle, when?

Mr. MCFARLANE. The same day.

Senator DAVIS. What did he say?

Mr. MCFARLANE. He said he would like to know who these parties were—know something definite about them—and whether Buttz was really empowered to make this offer.

Senator ALLEN. When Senator Kyle first spoke to you about this matter, and said to you, as I understand it, that Buttz had this talk with him on his way over from the Senator's house to the Capitol, Buttz first approached the Senator then?

Mr. MCFARLANE. That is what I understood.

Senator ALLEN. Did Senator Kyle say anything to you about his thinking of kicking Buttz across the street when he made the proposition?

Mr. MCFARLANE. He said something about that.

The CHAIRMAN. What was it?

Mr. MCFARLANE. If I remember aright, he felt tempted to knock the fellow down.

Senator ALLEN. Did he say anything to you about his second thought of endeavoring by specific means to develop this fellow Buttz; to ascertain what was behind him?

Mr. MCFARLANE. Yes.

Senator ALLEN. What did he say on that subject?

Mr. MCFARLANE. That was when he told him if he would come and see me he could speak with perfect confidence before me; and he said any business matters that we have we have gone in partnership.

Senator ALLEN. When Senator Kyle first spoke to you, and before Buttz came to see you and Senator Kyle warned you that Buttz would be to see you, what did the Senator say that Buttz had said to him?

Mr. MCFARLANE. He told me that Buttz said if he would vote against the bill he would get $15,000; and he said "I have told the fellow to come to you so that you can worm out of him all you can in regard to the matter."

Senator ALLEN. Why did Senator Kyle arrange with you about the matter and have Buttz to meet you—what was the object of that?

Mr. MCFARLANE. To have some other testimony than his own that such a thing was attempted.

Senator ALLEN. Is that what Senator Kyle said when he spoke to you about it?

Mr. MCFARLANE. His words were pretty much like these: "I have often heard about such attempts being made, and I want to find out how much is in it?"

Senator ALLEN. Do you know, as a matter of fact, Senator Kyle's purpose in speaking to you about it and arranging about the meeting with Mr. Buttz, whether it was for the purpose of ascertaining whether there was bribery?

Mr. MCFARLANE. That was his object.

Senator ALLEN. To trace out the attempted bribery to its proper source?

Mr. MCFARLANE. Exactly.

Senator ALLEN. Did he say anything to you about his belief of the man behind Buttz and his desire to know who the persons were?

Mr. MCFARLANE. That is what he told me.

Senator ALLEN. So that it was arranged between you and Senator Kyle that you should talk with Buttz with some degree of freedom, for the specific purpose of ascertaining who was behind Buttz, and what was their view?

Mr. MCFARLANE. That was the object.

Senator ALLEN. To that end, did you ask Buttz who was associated with him in this matter?

Mr. MCFARLANE. Yes.

Senator ALLEN. Did he give you any names?

Mr. MCFARLANE. He gave me no names at all, except that it was a very wealthy syndicate.

Senator ALLEN. Of New York bankers and capitalists?

Mr. MCFARLANE. Those were his words.

Senator ALLEN. There was no offer of money of any kind—no production of money?

Mr. MCFARLANE. No.

Senator ALLEN. So that all you did in the matter was at the suggestion of Senator Kyle, for the purpose of uncovering this entire attempt to bribe?

Mr. MCFARLANE. That was the whole idea.

Senator ALLEN. And getting evidence of the names of the persons who were engaged in it?

Mr. MCFARLANE. Yes.

Senator ALLEN. With the view of making the matter public if thought necessary or proper?

Mr. MCFARLANE. Yes.

Senator ALLEN. And is that the way Senator Kyle talked to you about his purpose?

Mr. MCFARLANE. That is what he told me he wanted it for; that was the object.

Senator ALLEN. Did he say anything to you to the effect that when Buttz first mentioned this matter to him he thought of kicking him across the street or knocking him down, but upon second thought he thought it wiser to appear to be indifferent to the matter for the purpose of developing the persons behind Buttz?

Mr. MCFARLANE. Yes; that is it.

Senator DAVIS. Did Mr. Buttz at any time state to you the amount of money that this alleged syndicate had with which they were prepared to beat this bill?

Mr. MCFARLANE. No.

Senator LODGE. When Senator Kyle spoke to you on this occasion to which you have referred did he mention having had more than one conversation with Buttz?

Mr. MCFARLANE. On that subject I do not think he did.

Senator LODGE. On that subject, I mean, of course.

Mr. MCFARLANE. No.

Senator LODGE. On that subject he mentioned only this one conversation?

Mr. MCFARLANE. This one conversation.

Senator LODGE. Do you know whether he had any other conversations with Buttz on the subject?

Mr. MCFARLANE. No, I do not know that he had. Buttz used to go into the office—the committee room—before that and sit and talk with the Senator, but he always had some papers.

Senator LODGE. That was about his land bill?

Mr. MCFARLANE. About his land bill.

Senator LODGE. I mean on this subject. And this conversation with Buttz occurred the day before that?

Mr. MCFARLANE. The day before that.

Senator LODGE. And that was about two months ago?

Mr. MCFARLANE. About two months ago. The Senator, after I had met Buttz, of course, came down, and I told him all that had happened.

The CHAIRMAN. When Senator Kyle told you that Buttz was to meet you, did he tell you what the purport of his conversation with Buttz was and give you any instructions as to how you were to conduct yourself?

Mr. MCFARLANE. In a general way. I was to find out all about this affair, and try to find out the names of all the parties—worm out of him, if possible, everything connected with it.

Senator ALLEN. I understood you to say that you and Senator Kyle had been in the Dakota legislature together as senators from adjoining districts, and that you were partners in some transactions?

Mr. MCFARLANE. We were members of the State senate together, but we had no business transactions together.

Senator ALLEN. I understood you to say that you were partners in some transactions. That is what you were to tell Buttz?

Mr. MCFARLANE. The Senator told Buttz that.

Senator ALLEN. And that was for the purpose of allaying any suspicion that Buttz might have in talking with you?

Mr. MCFARLANE. That was it.

Senator ALLEN. As a matter of fact, you and Senator Kyle were not partners in any transaction?

Mr. MCFARLANE. Except that we might have shares in the National Watchman.

Senator ALLEN. That was a newspaper?

Mr. MCFARLANE. Yes; we do not hold these shares in common; it was simply a business enterprise in which I had some shares and the Senator also.

Senator ALLEN. I hand you an amendment to House bill 5575, and ask you if that is the amendment you spoke of as having been introduced by Senator Kyle to the sundry civil bill, and about which Mr. Buttz and Senator Kyle were talking in the committee room?

Mr. MCFARLANE (after examining.) I can not tell you?

Senator ALLEN. What is the name of that town in North Dakota; Great Falls? Is it true that these conversations that Senator Kyle had with Mr. Buttz in the room of the Committee on Education and Labor were with reference to a claim covering a town in Montana?

Mr. MCFARLANE. The only conversations that I took any notice of—they would sit close to me, and I was writing—was about the town site, as I understood.

Senator ALLEN. It was at Great Falls, was it not?

Mr. MCFARLANE. I believe it was.

Senator ALLEN. Was it not a contest for Jim Hill's road, where Hill had gotten fraudulent control of the town—40 sections of land?

Mr. MCFARLANE. Yes; but I did not pay any attention to it.

Senator ALLEN. Mr. Buttz wanted Senator Kyle to introduce a bill to repeal a part of an act passed in 1891, which quieted title to that land?

Mr. MCFARLANE. I understood that to be so.

Senator ALLEN. Did you draft the original of this amendment?

Mr. MCFARLANE. No; I do not think I did.

Senator ALLEN. I would like that amendment to be made a part of this record. I will have Senator Kyle come up and identify it.

The amendment is as follows:

The CHAIRMAN. Have you anything else that you wish to say, Mr. McFarlane?

Mr. MCFARLANE. I might say this: When the Senator told Mr. Buttz that we had no business enterprise apart, that we had always gone in in common, I understood the Senator to mean that we were stockholders in that newspaper. The Senator had $100 worth; something like that.

Mr. C. W. Buttz appeared with counsel.

Mr. MCGOWAN (counsel for Mr. Buttz). I request, Mr. Chairman and gentlemen of the committee, that there be presented to Maj. Buttz a copy of any testimony that has already been taken before the committee touching his connection with this alleged bribery, that he may examine it and make his statement with reference to it. I have already made a similar request in writing to the chairman of the committee. I, of course, asked that I be permitted to cross-examine the witnesses, though I do not now ask that. But I think that my client should be permitted to examine the testimony.

The CHAIRMAN. The committee has discussed the matters mentioned in your letter, and while there will be no difficulty about your seeing the testimony that has been already taken, or hearing it read, yet the committee thought that we were entitled to ask Mr. Buttz some questions in regard to the matter we have in hand and without reference to the testimony already taken. We think so now. Therefore, we will proceed, subject to your advice to your client, to ask the questions which we thought proper to be propounded to Mr. Buttz.

SWORN TESTIMONY OF CHARLES W. BUTTZ.

The CHAIRMAN. What is your full name?

Mr. BUTTZ. Charles Wilson Buttz.

The CHAIRMAN. What is your age?

Mr. BUTTZ. I was born in 1837. I think I am 57 years old.

The CHAIRMAN. Where do you reside?

Mr. BUTTZ. I reside at Buttzville, Ransome County, N. Dak.

The CHAIRMAN. What is your occupation?

Mr. BUTTZ. I am a farmer. I have practiced law in past years.

The CHAIRMAN. You are a lawyer, Mr. Buttz?

Mr. BUTTZ. Yes.

The CHAIRMAN. Are you acquainted with Mr. Eppa Hunton, jr.?

Mr. BUTTZ. I have known his father, Eppa Hunton, for about twenty-five years. I resided in Virginia twenty-five years ago, immediately after reconstruction, and took a part in political affairs there. I knew Mr. Hunton's father, but lost sight of the Senator until after he became Senator. I renewed my acquaintance with him, but was not personally acquainted with the son.

The CHAIRMAN. Do you know the son now?

Mr. BUTTZ. Only by an interview I had with him at Warrenton.

The CHAIRMAN. When was that?

Mr. BUTTZ. Early in April.

The CHAIRMAN. Of this year?

Mr. BUTTZ. Of this year.

The CHAIRMAN. Where was the interview?

Mr. BUTTZ. At Warrenton, Va., at his home.

The CHAIRMAN. Will you be good enough to state to the committee what that interview was?

Mr. BUTTZ. I have no objection to stating it; I came here for that purpose. But, as I said to my counsel, I would like to understand what has been said by Mr. Eppa Hunton on the subject. I can state briefly that I never went there for any purpose of corrupting him or his father, or bribing them.

The CHAIRMAN. You have an opportunity to state now what occurred at that inverview.

Mr. BUTTZ. Before stating that I would like to state the preliminary grounds of my going there. Will you read what Mr. Eppa Hunton said?

The CHAIRMAN. No; I will ask you questions which you are competent to answer, and you may say what you said or did not say. You may state freely what took place at that interview, which you admit did take place.

Mr. BUTTZ. You can allow me to state my reasons for going there?

The CHAIRMAN. Yes; state in your own way.

Mr. BUTTZ. In March, 1891, at the expiring hours of the Fifty-first Congress, an amendment of the preemption and timber-culture law occurred in the U. S. Congress, and the terms of the repealing act were in dispute between the two Houses as to the conditions of entering a homestead, and that dispute was submitted to a conference committee of the two Houses, of which Senators Walthal and Pettigrew and Representatives Holman, Payson, and Pickler were members. They made a report to the House on the 3d of March, 1891, and that committee added an additional section, called section 7, which confirmed and ratified all the proofs made between certain dates, giving the dates in the law, notwithstanding irregularities in the final proofs. Previously to that I had been an attorney in a contest at Great Falls, Mont., involving 160 acres, or a quarter section of land, in which my client had alleged that a certain corporation, a $5,000,000 corporation, had hired a settler to acquire title to this land, and in addition to that $5,000,000 land in another section. I had taken the evidence for my client. He was a poor man. I expended about $1,000. That carried the case to the Land Office.

On the 25th of February Commissioner Stone decided the case against the corporation and in favor of my client. The defendant, the corporation, had sixty days in which to appeal. Their sixty days expired. On the 25th of March, 1891, instead of appealing they managed to get added to that conference committee's report section 7, by which was ratified all final proofs made between certain dates, and legislated my client out of court. We had won our case and then lost it through legislation. As soon as I discovered that, I came on here to have a provision added, providing that the section should not affect cases pending in the Land Office, to save the cases that were pending. I came on here during the Fifty-second Congress, and was here the whole winter. Judge Holman was on the conference committee when this

report was made, and he repudiated it; Senator Walthall repudiated it; Senator Plumb repudiated it; Mr. Payson repudiated it; Congressman repudiated it—said it never applied to contests—and Judge Holman introduced a bill to add a proviso to that law, provided it did not affect contests pending in the Department. I managed to get that in the sundry civil bill reported by the Public Lands Committee. It was put on the Calendar, but there was no chance for it to be reached at the last session of Congress, and I then had it introduced as an amendment to the sundry civil bill. It came over to the Senate.

Judge Holman was chairman of the Appropriations Committee then, and on motion of one of the members Judge Holman accepted the amendment as chairman, because he had introduced the bill. It came over to the Senate. I appeared as attorney before the Senate Committee on Appropriations. There was a fight made there, and the Senate committee finally reported it to the Senate. It came up in the Senate, and Senator Davis moved to strike out the amendment. It was debated in the Senate that afternoon and that evening, and on the final vote the Republicans had two or three majority. Every Republican voted to strike out and every Democrat to keep it in. Then it was it went to the conference committee, and the House sent it back three different times. The House struck it out. Senator Allison was the principal one who held out in the Senate. Judge Holman sent it back three different times, as I recollect, insisting on the amendment, and the Senate refused, and finally all the other amendments were compromised, and Judge Holman came to me and said: "All the other amendments have been settled and it is within two or three hours of the expiration of this Congress, and $30,000,000 or $40,000,000 of appropriations for a Democratic administration coming on that are liable to fail; we will have to agree with the Senate, and if you will come on next session I will get it through for you." I said: "Very well;" and it was struck out. This session I came here for that purpose, and no other.

If I am a lobbyist that makes me a lobbyist. I came on here last September. I did not leave my farm, did not come here to the special session; but Judge Holman, without my seeing him, introduced the matter in the Committee on the Public Lands. I came on here at the regular session to look after it. I went to Judge Holman and McRae, chairman of the Committee on Public Lands, reported it to the House, and it is on the Calendar in the House. It was introduced in the Senate. Senator Blackburn introduced it in the Senate, and it went to the Committee on Public Lands. Mr. Pettigrew—5 members of the committee, leaving out Mr. Pettigrew—repudiated that seventh section. It went to the Public Lands Committee, and they did not make any report. In the meantime, when the sundry civil bill came up, it was on the Calendar in the House, Judge Holman moved to amend the sundry civil bill by this amendment. The bill was in the Committee of the Whole in the House, and a speech was made by Mr. McCreary about the town of Jasper. They did not understand it. On an aye and nay vote they struck it out again at this session, on the 21st of March.

Judge Holman said the mistake was that the Committee on the Judiciary did not understand it, and that I should have it introduced in the Senate. I came over to the Judiciary Committee. I went to Senator Kyle and explained to him. He said he would be glad to take hold of it and help me. He introduced it as an amendment to the sundry civil bill, and had it sent to the Judiciary Committee, because there was Pettigrew and Dolph to carry all from this locality where this corporation *perambulated. Whether* they were antagonistic or

not I did not care. I wanted it to go to the Judiciary Committee, because Judge Holman said it was a judicial question. Senator Teller moved to send it to the Public Lands Committee, and on his motion it went to the Public Lands Committee.

I had three or four interviews with Kyle about that. The Public Lands Committee never did report it. Then I had a friend of mine to have it reintroduced (by Senator Blackburn) and it went to the Judiciary Committee.

Now, why I went to get Hunton. In the meantime the Commissioner of the General Land Office had decided that this seventh section—that these parties were entitled to this quarter section of land under this seventh section. The seventh section provides, if you will read it, in the case of a bona fide purchaser, how final proofs are to be made, and ratified and confirmed all final proofs made between certain dates. I claimed that this corporation was not an innocent purchaser; that they hired a settler from the start, and there was fraud. I applied to the Commissioner for a hearing on that ground. He denied me a hearing, and said this corporation was entitled to the patent, notwithstanding my application for a hearing, on the ground of a bona fide purchaser. I claimed that they were not bona fide purchasers, and that they were aware of it at the time the proof was made. The Commissioner decided against me, and I took an appeal. I had sixty days in which to perfect my appeal. I let as much time expire as I could, and asked for a review, and the Commissioner adhered to his opinion, and I appealed to the Secretary, pending this legislation, which I anticipated. I have a favorable report in the House now, and I expected a favorable report in the Senate. I always supposed I could not get it from the Public Lands Commi. tee, because Mr. Pettigrew, who was responsible for this amendment, was there. I wanted to lay it before the Secretary of the Interior, wanted Mr. Smith to delay until I could get legislation to save my contest.

I got to talking to Maj. Walker, an ex-senator of the legislature of the State of Virginia, who was living in the house where I was in this city. He was formerly a State senator from Virginia, an intimate acquaintance of Senator Hunton, although I saw it stated in the paper that Hunton did not know him. He said he was acquainted with Hunton for forty years. I wanted Walker to get a delay through Mr. Hoke Smith. I claimed under that seventh section that I was entitled to get a hearing, on the ground that this corporation was not an innocent purchaser—that I was entitled to a hearing even under the law that they had smuggled through by unanimous consent. But I did not know anybody in Washington. These land lawyers in Washington are afraid to make an aggressive fight against the land department for fear of ill-will and injury to their practice. I had no ready money. My client is poor, being simply a driver of a delivery wagon, getting $30 or $40 a month. He is unable to pay his own expenses.

I am in this, and I am going to stay in it as long as I live. I started out on that theory, and I believe I am right; I am going to stick to it. It is hard for a private individual to fight a private corporation of $5,000,000 and a railroad corporation of $5,000,000 that perambulates all these States. I have nothing except my farm; but I was here in the interests of that man, and I wanted to get a man of influence. I was talking with Maj. Walker, of Virginia, and I asked him if he could get me anybody who would do me any good, and he said that the son of Eppa Hunton was an active young lawyer and would have influence in the Department; that his father was a Senator, and he had

good standing down there. I said: "I do not know him; will you give me a letter of introduction to him?" He said, "I do not know the son, but I know the father very well;" and he said, "You had better see the father about getting a letter."

I went down to the Corcoran building, where Senator Hunton had a law office, and where he keeps it yet. I knew Senator Hunton, because I was in Virginia and took an active part in politics there in reconstruction times and before I left there. I went in and spoke to Senator Hunton. There were two or three in the office whom I did not know, and whom I did not notice. If I had thought there was going to be a charge of bribery, I would have made a memorandum. I said, "I want to get a party to help me in a law matter in the Land Office, and I want you to give me a letter to your son." Senator Hunton said "What kind of case is it?" and I said "A land case." He said, "Why do you want to employ my son—because his father is a Senator?" I said "I do not know that that would be any crime, if his father is a Senator." He said, "Let me ask you if this will come up before Congress, so that I will have to vote upon it." I said, "You might have to vote on one branch of it; but what I want is to get a delay before Hoke Smith, to get Hoke Smith to grant me an investigation as to the innocence of this company, as to the fraud which they committed before the purchase." I said, "I want delay on that."

Senator Hunton said: "Maj. Buttz, I shall decline to give you a letter of introduction; I do not want my son to have anything to do with a case that is liable to come before the Senate," and that is all that was said, and I said, "All right, Senator; good-bye." I went back and told Maj. Walker what Senator Hunton had said, and Maj. Walker said, "I do not know the son very well, but I will give you a letter." So that he wrote a letter to Eppa Hunton, jr., at Warrenton, and said I wanted to employ him on some land business. I went down there on a Sunday morning, and took dinner at the hotel. I went up to Mr. Hunton's house, rang the bell, and he received me at the door and talked to me. I first told him what his father had said. I was very frank with him—told him why his father did not want him to have the case.

He shut me off. I talked about Virginia matters from 1865 to 1870, and asked him if he remembered the Walker campaign and the election of Mahone to the Senate. If I was a bad man, I took an active part in that and I think I accomplished something. I think they all said so. I had a friendly talk for an hour with Mr. Hunton. He treated me very nicely, and I thought I treated him very nicely. Among other things we talked about hard times, idle men, and the Coxey movement. We drifted off into politics; and among other things—I can not give you the words, but the substance—I said I was opposed to the tariff bill, the Wilson bill. He asked if I thought it was going to pass. I said I hoped not, because I thought it was it that brought all this trouble on the country. He said, why? I said because when the Democrats adopted the free-trade platform, in England the manufacturers had raised £250,000 ($1,000,000), to carry the free-trade platform and elect Mr. Cleveland. I do not know whether it is true or not; but if they raised all that money to carry the Presidential election they will raise the money to carry free trade through Congress.

I said I was interested in 11,000 acres of farming land, 2,000 of mine and my brother 9,000, and we lost $2,000 on it last year, and we can not stand much more, we will all be sold out; so far as the manufacturers are concerned they will raise a fund to protect themselves, but nobody will *protect the farmers. This* was the general talk. There is no

duty on wool, and to reduce the duty on barley from 15 to 13 cents and no duty on flax, a bounty on sugar, duty on rice—we have no wood in our State, South Dakota; we have a little soft coal, but when you put 50 cents on coal or are about to do it, everything that the farmers have to buy they have, and I am opposed to it. I said we could not stand it much longer. That was the general talk. We branched off to the manufacturers, and I said yes, when it gets to the Senate they will get all they want. I said, I think the manufacturers would pay from $25,000 to $50,000 for a vote to get what they wanted, and if England has spent $1,000,000 to get a free-trade plank in the Chicago platform on which Cleveland was elected, they will get it through the Senate. That is about the substance. I may have said more, but I do not recollect. But as to any direct or indirect attempt to bribe Mr. Hunton's father, that is absolutely false. Senator Hunton is not a man of that kind, and I would not attempt it for that purpose.

The CHAIRMAN. Did you offer his son any money, large or small, if he would get his father to vote for or against the tariff bill?

Mr. BUTTZ. Not at all. I said, as an attorney, if I could defeat the the bill I could get a fee.

The CHAIRMAN. Did you name any sum, ten, fifteen, twenty-five, or thirty thousand dollars that they would pay?

Mr. BUTTZ. Who?

The CHAIRMAN. The English, or these interests opposing the income tax. Did you state that the English people would pay you a fee?

Mr. BUTTZ. I do not think I did state anyone. If I did I had no authority, but it was a general talk.

The CHAIRMAN. In that general talk you say you may have said that you could get a fee of ten, fifteen, or twenty, or twenty-five thousand dollars if you could defeat this bill.

Mr. BUTTZ. I may have said it, but only in my imagination. I believe I did, now. The manufacturers of this country or the English free-traders in England, if I can reach the proper parties—I do not know who they are; but it is my judgment——

The CHAIRMAN. You believe you could get a fee from the English free-traders or manufacturers to defeat this bill? Did you state that to Mr. Hunton?

Mr. BUTTZ. I may have done so. If he says so, I would not dispute it.

The CHAIRMAN. Did you say anything to Eppa Hunton, jr., about presenting an argument to his father and paying him for it, to induce the Senator to vote against the tariff bill?

Mr. BUTTZ. I do not think I ever asked him. I may have asked him if he would take a fee, or be an attorney to represent the interest against the bill. I may have done that, but I have no recollection of it.

The CHAIRMAN. You may have asked Mr. Hunton, jr., to take a fee?

Mr. BUTTZ. I may have asked him in the general talk.

The CHAIRMAN. Can you not recollect anything so important as that—whether you asked him to take a fee?

Mr. BUTTZ. I think not, because I had no fee to give, nothing but my farming interest—no corporation to represent. I do not know why I should.

The CHAIRMAN. You said that you thought you could get from the manufacturers and free traders in England $25,000 to defeat this bill.

Mr. BUTTZ. I believe I could not.

The CHAIRMAN. Did you state to Mr. Eppa Hunton that you could get a fee from such parties?

Mr. BUTTZ. I do not think I did. If Mr. Hunton said so I would not dispute it, because there was so much said. I know that I never attempted to bribe his father or offer any influence to bribe him.

The CHAIRMAN. Did you offer the son anything that he might influence his father?

Mr. BUTTZ. No, I never offered his son anything to influence his father improperly.

The CHAIRMAN. Did you offer him anything to influence him properly?

Mr. BUTTZ. That I would not say, whether in a general talk he so understood it or not. I did not so understand it.

The CHAIRMAN. Did you tell him that there was money that could be gotten for him contingently upon the defeat of the Wilson bill?

Mr. BUTTZ. I do not know how I could. I had no means of getting it.

The CHAIRMAN. Did you talk with Eppa Hunton, jr., about the income tax as well as the wool feature of the tariff bill?

Mr. BUTTZ. I do not know whether I did; I know I talked with him some time about the North Dakota farmers on wool.

The CHAIRMAN. Did you offer Mr. Eppa Hunton, jr., any sums of money when you visited him, large or small, contingently upon his father's voting against the Wilson bill?

Mr. BUTTZ. Oh, no; I may in general talk; but I had no money to offer him.

The CHAIRMAN. Did you state to him that you could procure him a fee, large or small, contingently upon his father voting against the bill.

Mr. BUTTZ. I did not know that I could procure it. It was a general talk. I had no arrangements to bargain with him. I did not go for that purpose. I may have stated that they would pay the people for that.

The CHAIRMAN. State what you may have stated in that regard.

Mr. BUTTZ. Nothing more than I have already stated.

The CHAIRMAN. How long did you talk about the land matter?

Mr. BUTTZ. Oh, very little. He refused that from the start. Said he would not be employed. There was not a dozen words; there was not three minutes expended on my employing him, one way or the other. The balance was all friendly talk. If he had not treated me decently and encouraged me to stay there I would have gone.

Senator DAVIS. Before leaving Warrenton for Washington did you return to Mr. Hunton's house in the afternoon?

Mr. BUTTZ. Yes; I returned for the purpose of leaving my card and my address at the door. The servant said Mr. Hunton had returned; was lying down, taking a rest.

The CHAIRMAN. Did you leave your card?

Mr. BUTTZ. I did.

The CHAIRMAN. What was in the card?

Mr. BUTTZ. I have not thought of it since. I imagine all I put on it was my name, 719 Eighth street NW., and call to see me. I said to him before I left, perhaps, I am not sure; if he will contradict me I will say perhaps I did not say it; perhaps he had changed his mind about this Land Office matter; that his father would be involved; that what I wanted him for was in the Land Office and not in the Senate; and after I got down on the train I got to thinking it over and thought he might decide to go with me. I left the train and went back and wrote on the cars when he came to Washington he would see me.

The CHAIRMAN. What did Mr. Hunton say on this question of the tariff? Did he talk?

Mr. BUTTZ. Yes; he talked. He said he was in favor of it, and thought his father was in favor of it.

The CHAIRMAN. Did he discuss the matter with you?

Mr. BUTTZ. He took issue with me. We talked it in a general way. He would say one thing and another. We had a general discussion. I tried to convince him that so far as the farmers were concerned it was a bad bill.

The CHAIRMAN. Are you sure you have stated all that was said about the possibility of obtaining a fee for the defeat of the tariff bill, or if the tariff bill was defeated?

Mr. BUTTZ. As to my being sure whether I have stated all that was said, I am not sure, but it was the substance of all that was said. If you will read the statement and let me see what he said, I can refresh my memory. But I am trying to say all that I recollect. One thing I do not forget is that I did not go there for any purpose of bribing his father, or inducing him to do wrong, because I have known old man Hunton too long.

The CHAIRMAN. Did you say to Mr. Hunton on that occasion and in that conversation, or at any other time, that in case his father voted against the bill the son could have $15,000?

Mr. MCGOWAN. I suggest to the committee that Mr. Buttz should know what Mr. Hunton said on that subject. That is simply justice.

The CHAIRMAN. Make any suggestions you have to make openly.

Mr. MCGOWAN. I suggest to my client that he ask the committee to give the testimony on that point, that he may understand the direct question.

The CHAIRMAN. I submit to Mr. Buttz, in the presence of his counsel, that he must be able to answer that question categorically and without reference to what anybody said. He may state whether he did that day, or at any other time, say to Mr. Eppa Hunton, jr., that he could have a fee of $15,000, or any other amount, in case his father voted against the tariff bill.

Mr. MCGOWAN. I desire to say to my client that the implication of the question, in my view, is that Mr. Hunton has so testified; and under all the circumstances of the case he should require the testimony to be given on that point before he answers the question.

The CHAIRMAN. I should say, without discussing the question, that the committee is entitled to a categorical answer. That is undoubtedly within the knowledge of the witness, and is a fair question.

Mr. MCGOWAN. I will leave it to the major. I suggest nothing further.

Senator ALLEN. I do not see how it could make any difference to Mr. Buttz. He certainly knows whether he made any such suggestion or not.

Mr. BUTTZ. Whether there was any suggestion of that kind or not I certainly could not say that, for I had no authority to say it; I had no $15,000. I do not know why there should be so much said about money used in the campaign, and money used back and forth—so much said about the sugar trust and income tax, but I know I never tried to induce Mr. Hunton to take a fee for the purpose of inducing him to control his father.

The CHAIRMAN. You do not care to answer the question more categorically than that?

Mr. BUTTZ. I do not care to say yes or no, because I do not know the exact language that was used.

The CHAIRMAN. You know the language that I use. Did you on

that occasion say you would pay, or that Mr. Hunton could receive from any source whatever, a fee of $15,000 or any other amount in case his father voted against the tariff bill in the Senate?

Mr. BUTTZ. No; I do not think I ever said it.

The CHAIRMAN. Are you sure?

Mr. BUTTZ. I do not see why I should have said it, because I had no means of paying or anybody to authorize me to do it. I do not see why I should have had so idle a talk as that. Mr. Hunton is a distinguished gentleman, a man of veracity, and I do not see why I should come forward and make such a statement.

The CHAIRMAN. Did you have any conversation prior to this with any person or persons as to the possibility of affecting the vote of any Senator by paying money?

Mr. BUTTZ. Yes.

The CHAIRMAN. State what.

Mr. BUTTZ. I suppose 15 or 20. It was ordinary common talk in the room where I was boarding, especially with a man who boarded there, an ex-member of the legislature, Maj. Harris. He boarded at the same house where I boarded. We may have talked about it forty times; it was common talk in the house about money being used one way or the other.

The CHAIRMAN. You have already answered, perhaps. Did you have any authority from any person to offer anyone money, in the Senate or out of the Senate, to influence the result of the tariff legislation?

Mr. BUTTZ. No one on earth.

The CHAIRMAN. Do you know Senator Kyle?

Mr. BUTTZ. I know him.

The CHAIRMAN. How long have you known him?

Mr. BUTTZ. I have known him, by reputation only, since he was elected to the Senate. His county, where he lives, Brown County, is the northern county of the north of South Dakota, and I live on the south side of North Dakota.

The CHAIRMAN. Did you know Senator Kyle in Dakota?

Mr. BUTTZ. No.

The CHAIRMAN. Where did you first know him?

Mr. BUTTZ. I have been on speaking terms with him since he has been in the Senate, the last year or two. I do not know the date he was elected to the Senate.

The CHAIRMAN. Do you know when you first met him?

Mr. BUTTZ. The first time I met him to transact any business or to have any intercourse, to attend to matters, was in reference to my amendment. I had an amendment to insert in this legislation after it was defeated.

The CHAIRMAN. When was that?

Mr. BUTTZ. The amendment was introduced, I think, on the 29th of March.

The CHAIRMAN. This year?

Mr. BUTTZ. Yes; I think it was introduced this year.

The CHAIRMAN. Had you any conversation with Senator Kyle before that?

Mr. BUTTZ. A day or two before the last time he introduced it I went to his committee room and had a talk with him [after looking at the amendment heretofore referred to in the record], March 28; I thought it was the 29th.

The CHAIRMAN. How long was it before that that you met Mr. Kyle in Washington?

Mr. BUTTZ. I do not think I had any intimate acquaintance with him; I think I met him two or three times before.

The CHAIRMAN. How long ago?

Mr. BUTTZ. I do not know.

The CHAIRMAN. During this past winter?

Mr. BUTTZ. I could not say. My memory is very poor of late years. I would not like to answer except that I went to him about this amendment.

The CHAIRMAN. Did you have any conversation with him about any other matter?

Mr. BUTTZ. After he introduced that amendment and it went to the Judiciary Committee, and the Judiciary Committee had not acted on it, I went to him two or three times to get him to do something. The other Senators of the Northwest were against it and I was anxious to get it through. Congress passing a bill by unanimous consent without having it read knocked me out, and I tried to get it reconsidered. Senator Kyle took an interest in my client, and very justly so. I think he went before the Judiciary Committee. He wrote a note in the Senate, a card; I have not the card with me.

The CHAIRMAN. Had you conversations with him upon any other subject.

Mr. BUTTZ. Yes; I went to him two or three times, four or five times to get the amendment out of the Public Lands Committee.

The CHAIRMAN. Did you have any conversation with him about the tariff bill.

Mr. BUTTZ. Yes; I did.

The CHAIRMAN. What was that?

Mr. BUTTZ. During these times I talked with him about the tariff, and tried to persuade him to vote against the tariff, representing that the South Dakota Populists were opposed to it; that he would represent his constituents properly by voting against the bill. He said "Why?" I said "You have coal there with a duty of 50 cents, and your people will have to pay all the duty." He said that was not true. He took a broader view. He said, "How about wool?" I said, "Dakota is a woolgrowing State. It is for you to kill off the wool industry, and the State of Dakota will become depopulated."

The CHAIRMAN. Was this after the introduction of your amendment?

Mr. BUTTZ. Yes. I had no conversation about it before.

The CHAIRMAN. Did you say that he could obtain money for his vote?

Mr. BUTTZ. This conversation came up with Mr. Kyle half a dozen times. I said he could not afford to vote for it. He said he was for free trade; that was his platform and his principles; that he was for an income tax. I tried to tell him that the English had raised all this capital, and they would raise it to defeat it here; that before he got to it the manufacturers would raise a fund against it, and we farmers would be left out. I tried to persuade him to vote against it.

The CHAIRMAN. Did you say to Senator Kyle at that interview, or any other, that he could have a large sum of money if he would vote against the bill?

Mr. BUTTZ. No; I never promised Mr. Kyle a cent.

The CHAIRMAN. Did you say he could have that? Answer my question, yes or no.

Mr. BUTTZ. What do you mean that he could have? That I would get it for him?

The CHAIRMAN. That he could have, or that you would procure it—obtain a large sum of money in case he voted against that bill.

Mr. BUTTZ. I could not say anything of that kind. But I will tell you what I did say. In this general running talk I said to Mr. Kyle on several occasions, that I was satisfied there would be a fund raised and that money would be offered. A man told me here the other day, said he, "Buttz I will get a fee of $15,000 if the tariff bill is defeated, and I will give you $1,000 of that if you will find out how Kyle will vote." Said he, "He is from your State." I said, "No; South Dakota." He said, "If you find out how he is going to vote it is worth a thousand dollars to you."

The CHAIRMAN. Did you tell Senator Kyle that?

Mr. BUTTZ. I said a man said he could get $15,000 if the tariff bill was defeated, and he offered me $1,000 to find out how he (Kyle) would vote.

The CHAIRMAN. Who was that man?

Mr. BUTTZ. A man of this city.

The CHAIRMAN. I say what is his name?

Mr. BUTTZ. I can give it if I am forced to.

Senator ALLEN. I think it is right for you to give that name. There is nothing to criminate you?

Mr. BUTTZ. The real one was Maj. Harris, who was a member of the legislature that voted for Senator McPherson. He died.

The CHAIRMAN. What do you mean by the real one?

Mr. BUTTZ. He was the one who was in the room at the time of the talk. He said: "You find out how he is going to vote?"

The CHAIRMAN. Who was he?

Mr. BUTTZ. He was a lawyer. He has not any trust or boodle.

The CHAIRMAN. Who was it made that statement to you? I think you are bound to give the name. It is unpleasant business, of course.

Mr. MCGOWAN. I say to the witness that he is bound not to give the name.

Senator DAVIS. On what ground?

Mr. MCGOWAN. My grounds would be these: He said that the man had no connection with any trust. To drag one more name in here to confuse the matter is wrong, and it would be a breach of the relations which Mr. Buttz had to that man. I do not think he should give the name.

Senator ALLEN. You do not claim, as a lawyer, that that is ground for a refusal?

Mr. MCGOWAN. This examination of the witness is a legal examination.

Senator ALLEN. The only ground on which he can refuse is that it will criminate him. Mr. Buttz, do you refuse to give that name?

Mr. BUTTZ. For the present.

The CHAIRMAN. I will say in your presence and the presence of your counsel that it concerns the very gist of the matter about which we are holding this investigation. It is the very heart and core of this whole question whether any money was offered, and, if so, who made the offer, and any testimony bearing on that or tending to show that anyone had any knowledge of such a scheme is the very matter which we are inquiring about.

Mr. BUTTZ. May I consult my counsel?

The CHAIRMAN. Certainly.

Mr. BUTTZ (after having consulted). I said that I was offered $1,000 if I could find out how Senator Kyle was voting.

The CHAIRMAN. Who was that man who offered it?

Mr. BUTTZ. A man who has no money to pay; a man in whom I took no stock. I told Senator Kyle at the time.

Senator ALLEN. Who was the man?

Mr. BUTTZ. You would smile if I told the name of the man.

Senator ALLEN. Do you refuse to disclose his name?

Mr. BUTTZ. For the present.

Senator ALLEN. Where does he reside?

Mr. BUTTZ. In Washington.

Senator ALLEN. How long has he resided here?

Mr. BUTTZ. For years.

Senator ALLEN. What is his street and number?

Mr. BUTTZ. I refuse to give his street and number.

Senator ALLEN. What is his occupation?

Mr. BUTTZ. A lawyer.

Senator ALLEN. How long has he been a lawyer in Washington?

Mr. BUTTZ. For years.

Senator ALLEN. How old is he?

Mr. BUTTZ. About my age. He represents no trust or boodle.

Senator ALLEN. How long before you approached Senator Kyle was it that this man made the statement to you that he would give you $1,000?

Mr. BUTTZ. I never approached Senator Kyle. It was only accidentally that I talked to him.

Senator ALLEN. How long before you approached Senator Kyle was it that this man made this statement?

Mr. BUTTZ. During the tariff legislation.

Senator ALLEN. You talked with Senator Kyle more than once on the subject?

Mr. BUTTZ. A half dozen times. I would talk about this Land Office matter.

Senator ALLEN. Did you talk with Senator Kyle's clerk, Mr. McFarlane?

Mr. BUTTZ. Senator Kyle, when I was trying to convince him that it would ruin us farmers and cause depression of business all over the country, and that he must vote against this free trade tariff bill, he asked my reasons, and I pointed out the different items. He said: "Maj. Buttz, I have been looking over the bill and I want your views." He said: "I am going over this whole schedule before I vote; however, before doing that I am going over it with my clerk. My clerk, McFarlane, served in the legislature with me." He said: "The next time you go in there—he is looking over that bill—point out to him the items that affect the farmers, so that he will have it when I get ready to go over it myself." I went there and called Mr. McFarlane's attention to it.

Senator ALLEN. Did you say to McFarlane that you could get $15,000 for Senator Kyle's vote—$14,000 for him and $1,000 for yourself—if Senator Kyle would vote against the pending tariff measure?

Mr. MCGOWAN. Under the circumstances it seems to me that this man, being charged with this offense, as he has been, all these questions imply that somebody has testified to them. This is not taken from the newspapers. It is a cross-examination, and Mr. Buttz ought to be confronted by the statements that have been made.

The CHAIRMAN. Mr. Buttz knows whether he said that or not.

Mr. MCGOWAN. Mr. Buttz is a man who is affected by paralysis, and has been affected for years. His memory is gone.

Senator LINDSAY. He can say whether he remembers.

Senator DAVIS. Mr. McFarlane, Mr. Kyle's clerk, has sworn before

this committee that about two months ago Mr. Buttz, in a conversation with McFarlane, stated to him (McFarlane) that if Senator Kyle would vote against that bill he, McFarlane, might have $14,000 and Buttz could take $1,000 more, making $15,000 for that vote. Did any such conversation as that ever take place between you and Mr. McFarlane?

Mr. BUTTZ. No; no conversation of that kind. I can state what did take place.

The CHAIRMAN. You say that no such conversation as that stated by Senator Davis took place between you and Mr. McFarlane.

Mr. BUTTZ. Not in that language. There was a conversation took place.

The CHAIRMAN. When?

Mr. BUTTZ. Oh, a half dozen times. Every time I went in we were talking.

Senator DAVIS. State what was said in the conversation with McFarlane, in the conversation referred to.

Mr. BUTTZ. I can not speak of any one occasion. I can speak as a whole; as to the substance of the talk in regard to the tariff.

Senator DAVIS. State what was said on the subject of $15,000, $14,000 of which was for him and $1,000 for yourself.

Mr. BUTTZ. I told Mr. McFarlane that a friend of mine would get $15,000, of which I would get $1,000, if I would find out how Kyle would vote.

Senator DAVIS. He was to get $14,000?

Mr. BUTTZ. The offer was in case I would find out how Kyle would vote.

Senator DAVIS. Is that all you ever said on the subject of $14,000 or $15,000 on that or any subsequent occasion?

Mr. BUTTZ. That is not all I ever said on the subject of money.

Senator DAVIS. I am speaking of the $14,000 or $15,000. Is that all you said to McFarlane on that or any other occasion?

Mr. BUTTZ. No, it is not. On at least a half-dozen occasions we talked over that fund that the free-trade English fellows had raised to carry the free-trade platform, and they would raise a fund to carry it through Congress, and the protectionists would raise a fund, and they would beat it, if the Senator was willing to sell his vote. That was our imaginary talk.

The CHAIRMAN. Whose imaginary talk?

Mr. BUTTZ. Mr. McFarlane. We talked back and forth.

The CHAIRMAN. Did you talk to Mr. Kyle that way?

Mr. BUTTZ. No.

The CHAIRMAN. Did you say to him that he could get $15,000 or $100,000?

Mr. BUTTZ. No.

The CHAIRMAN. Or any other sum?

Mr. BUTTZ. Except the $14,000 or $15,000, as I told you before.

The CHAIRMAN. What was that?

Mr. BUTTZ. That a lawyer told me if I could find out in advance before they voted how Kyle was going to vote $1,000 would be mine—he could get $15,000.

Senator ALLEN. Did you ever say to Mr. McFarlane, Mr. Kyle's clerk, that the money would be given to you in an old envelope without any address upon it, and that you could pass it over to him and that nobody would know where it came from?

Mr. BUTTZ. If Mr. McFarlane said that it is as damnable a falsehood as ever a man uttered in his life, and I would like to tell him so.

Senator ALLEN. Did you call Mr. McFarlane out of the Committee on Education and Labor in the latter days of March and have a conversation with him, and say you were going down town to see these people about this matter, a syndicate of bankers from New York, your agents, and to let you know what the Senator was going to do.

Mr. BUTTZ. No; I had been in there and took lunch together with him and took a drink together with him.

The CHAIRMAN. Did you ever say to Senator Kyle on his way from his residence to this Capitol building that he could get $75,000 to $100,000 for his vote on this bill?

Mr. BUTTZ. Never said that, because I would be a fool.

The CHAIRMAN. Did you ever say to Senator Kyle that there was a syndicate of New York bankers and capitalists who had the money and would be here to pay?

Mr. BUTTZ. Certainly not. I have no doubt said that in my judgment these income-tax parties could raise thousands.

The CHAIRMAN. Did you ever say to him that there was a syndicate of bankers and capitalists who had the money here, and whom you were in communication with, who would raise that amount of money?

Mr. BUTTZ. I never said I knew. I talked that to Kyle.

Senator ALLEN. Did you ever say to Senator Kyle or his clerk that they had the money here in a bank and their agents you were in communication with?

Mr. BUTTZ. Certainly not. I knew of no such money or agent.

Senator ALLEN. How did you come to discuss this matter of the purchase of Senatorial votes?

Mr. BUTTZ. There was no talk of the purchase of Senatorial votes. The talk was that these manufacturers would raise money to defeat the bill; that these free traders we going on the theory——

Senator ALLEN. This man whose name you refuse to give, did he say where that money could be obtained?

Mr. BUTTZ. No; he said he could make $15,000 if the bill were defeated.

Senator ALLEN. And he would give you $1,000 if you could find out definitely how Senator Kyle would vote on the bill?

Mr. MCGOWAN. If the bill was beaten.

Senator ALLEN. One moment. Where did he say this money was to come from?

Mr. BUTTZ. He did not say.

Senator ALLEN. Did he not tell where he would get the money?

Mr. BUTTZ. No.

Senator ALLEN. You say he had no money himself?

Mr. BUTTZ. No; I knew he had none. I knew his financial condition.

Senator ALLEN. Why were you interested to go to Kyle and make that statement to him or Mr. McFarlane?

Mr. BUTTZ. I was only telling Mr. Kyle who these parties were, and what was said to me.

The CHAIRMAN. What parties?

Mr. BUTTZ. The parties who were fighting the tariff, and trying to get the tariff through.

Senator ALLEN. If this was an idle conversation on the part of the lawyer whose name you refuse to give, and you knew at the time it

was a mere idle conversation, why did you regard it as of sufficient importance to approach Senator Kyle or his clerk with this statement?

Mr. BUTTZ. I was telling what was offered to me.

Senator ALLEN. Did you think it was proper to carry idle conversation of that kind around to Senators?

Mr. BUTTZ. The Senator took no offense. He did not regard it as anything.

Senator ALLEN. So that from that you regarded it as a proper thing to do?

Mr. BUTTZ. I did not regard it as improper. It never entered my head.

Senator ALLEN. Why do you refuse to disclose the name of this man who said he would give you a thousand dollars if you would find out how Senator Kyle would vote?

Mr. BUTTZ. Because my attorney instructed me.

Senator ALLEN. On what ground does he base his instruction?

Mr. BUTTZ. I do not base it upon any ground, except that my attorney advised me.

Senator ALLEN. Do you put it upon the ground that it would criminate you?

Mr. BUTTZ. No, because I have not done anything to criminate me.

Senator ALLEN. You put it upon the ground that your attorney has advised you?

Mr. BUTTZ. Yes.

Senator ALLEN. You did not do it upon the ground that it would criminate you?

Mr. BUTTZ. No.

Senator ALLEN. I move the witness be directed to give that name.

Mr. BUTTZ. I will ask that I be given until to-morrow.

Mr. MCGOWAN. I advised my client in the back of the room that he should see this man with regard to this idle chaff before he gave the name.

Senator LODGE. Did you represent at any time that you represented a syndicate or any body of interested persons for the defeat of the tariff bill?

Mr. BUTTZ. Never in the world, because it would be useless, and because men might get the impression that the general idea is that there was a syndicate, or would be.

Senator LODGE. I ask you again, do you say you do not pretend to represent any syndicate?

Mr. BUTTZ. I do not.

SWORN TESTIMONY OF MR. JAMES W. WALKER.

The CHAIRMAN. Where is your residence?

Mr. WALKER. I reside at No. 719 Eighth street NW., Washington, D. C. My office is 472 Louisiana avenue NW., in this city.

The CHAIRMAN. What is your age?

Mr. WALKER. I am 68 years old.

The CHAIRMAN. Do you know Mr. C. W. Buttz?

Mr. WALKER. Yes.

The CHAIRMAN. How long have you known him?

Mr. WALKER. I knew him some years ago. As a preliminary, I will state that I am a Virginian; I live in the State of Virginia, and as far back as 1869 I knew Mr. Buttz in that State. I never met him in this

city, however, until winter before last. I saw something of him winter before last, and this winter I have seen him almost daily. We live at the same house, board at the same house. Whilst I have never been in his room, I have met him almost daily in the public room of the house, and in that way I have known him.

The CHAIRMAN. Do you recollect giving him a letter of introduction to Mr. Eppa Hunton, jr., at Warrenton?

Mr. WALKER. Yes.

The CHAIRMAN. Is that the letter? (Producing letter heretofore made of record.)

Mr. WALKER (after examining). Yes. That is my handwriting, and I recollect writing it under a very dim light. That is my writing.

The CHAIRMAN. You were about to state the circumstances under which you wrote it.

Mr. WALKER. Mr. Buttz stated in my presence, and I think to me in the presence of others in the house, that he had some claim before the Land Office, the Interior Department. He asked me if I knew any prominent Democratic lawyer from the South who would take a claim or present a claim before the Department. I hesitated for some time and at first I told him that I did not remember any at all. He said, "I have a claim here before the Land Office and I would like to employ some Democratic lawyer who has been in the habit of practicing before this Department and who might have some influence in these Departments."

After thinking awhile I said to him, "There is a young man in Warrenton, young Mr. Hunton, whom I do not know personally. I know his father very well. I knew young Hunton when a boy. I have learned from others that he is a good lawyer. I know that he is a prominent member of the legislature in Virginia at this time." This was some time in the month of March or April. Mr. Buttz asked me if I would give him a letter of introduction to Hunton. I declined to do it at first, because I said I did not think Mr. Hunton would remember me, although I knew his father in public life twenty-five or thirty years ago, when young Hunton was a little child. And I knew so little about him personally that I felt a delicacy in giving Mr. Buttz a letter of introduction at that time. The subject was introduced afterward in the same house in the presence of one or two gentlemen who now live in the house—boarders. Mr. Buttz said: "What you have said about Mr. Hunton has impressed me, and I would like to employ him in this case of mine." Mr. Buttz told me what was the nature of the case. I think it was some land case that he had, land in Montana Territory or Montana State. That is my impression. He said: "I want to employ some Democratic lawyer. This is a Democratic administration; you are a Democrat," and all that sort of thing, and "I think I would like to employ some Democratic lawyer." It was in that way I first suggested young Hunton, not that I expected that Mr. Buttz would employ him, or anything of that sort. I merely said to him that I knew Mr. Hunton and he had been represented as a good lawyer. "I know he is a very prominent member of the legislature."

The CHAIRMAN. And you gave Mr. Buttz that letter?

Mr. WALKER. I gave him that letter. I did know Buttz, in 1869, in the State of Virginia. He was then, what we termed in our State, a carpet bagger. It was before the State was reconstructed. I was a candidate in my State for the legislature, and I was a member of the convention that nominated Walker for governor. I took a good deal of interest in the politics of the State at that time.

The CHAIRMAN. That is the way you became acquainted with Buttz?

Mr. WALKER. That is the way. Buttz was a Republican and member of the Republican convention, and I do not hesitate to say how I become acquainted with him.

The CHAIRMAN. That is the way you became acquainted at the time?

Mr. WALKER. Yes.

The CHAIRMAN. And you gave him this letter?

Mr. WALKER. Yes.

The CHAIRMAN. And these are the circumstances under which you gave it.

Mr. WALKER. Those are the circumstances under which I gave it.

The CHAIRMAN. Did you say anything about a letter to Mr. Eppa Hunton, jr., by his father?

Mr. WALKER. He said to me afterward——

The CHAIRMAN. Was that after you gave the letter?

Mr. WALKER. I will give you my remembrance. I saw him generally. I would come from my office at 6 o'clock. When I first declined to give this letter I think Mr. Buttz said to me, "I have seen Mr. Hunton's father and asked him to give a letter, and he declined to do it."

The CHAIRMAN. This is when he first asked you?

Mr. WALKER. That was afterwards. He first asked me before, in March, I reckon, and then sometime in the first of April. Mr. Buttz said that he had asked Mr. Hunton's father for the letter of introduction, and that his father declined to give it on the ground that this land claim in which he was interested might ultimately come up before the Senate, and he (Senator Hunton) would be required to vote upon it. Now, that is my recollection. But he persisted that he would like to employ young Hunton.

The CHAIRMAN. Did he speak of any other business than the land business?

Mr. WALKER. None in the world. And he really made some overtures to me to employ me, but I never practiced before the Departments, and I declined. I think I recommended Mr. Hunton to him upon the ground that Mr. Hunton was a young man, prominent lawyer, and member of the legislature in Virginia, and his father was a member of the Senate.

Senator LINDSAY. How much time elapsed between the first time that Mr. Hunton was discussed and the time at which you finally gave the letter?

Mr. WALKER. I really could not say. I do not think his name was discussed afterwards until he came to me and asked me if I would not be kind enough to say to Mr. Hunton in this letter that he wanted to employ him in the law case.

Senator LINDSAY. Was it as much as three weeks?

Mr. WALKER. I think it was. I really did not treasure it up.

Senator LINDSAY. Did he say anything to you at the time you gave the letter, or at any time, that he expected to discuss the tariff or the possibility of defeating the tariff bill?

Mr. WALKER. No; I never discussed that question. I think it was discussed with Maj. Harris, quite a prominent man from the South. I advocated this tariff bill, but I never asked Mr. Buttz about the tariff bill.

The CHAIRMAN. Is Maj. Harris dead?

Mr. WALKER. Yes; Maj. Harris died a few weeks ago, after I gave this letter.

Senator ALLEN. Was Maj. Harris a lawyer?

Mr. WALKER. Yes.

Senator ALLEN. Were they all lawyers who boarded at the same place where you boarded?

Mr. WALKER. Maj. Harris used to be a lawyer, but he had some claims against the Government—cotton claims.

Senator ALLEN. Were there any other lawyers boarding there besides yourself?

Mr. WALKER. No.

Senator ALLEN. Do you know of any lawyers in the city whom Mr. Buttz was in the habit of associating with—visiting?

Mr. WALKER. I have seen him with some lawyers. Some lawyers used to come there; a gentleman named McGowan, who was counsel for Maj. Harris.

Senator ALLEN. What time was that?

Mr. WALKER. I knew a Mr. McGowan and some other lawyer who used to come there consulting with Maj. Harris upon some business of his. He had some claims before Congress or the Departments. I knew nothing about them.

Senator ALLEN. Who were the lawyers; do you know?

Mr. WALKER. I do not know. I never met them except to be casually introduced to them in the hall.

Senator ALLEN. Did you ever hear Buttz discuss the tariff question with them?

Mr. WALKER. I never did. Certainly not in my presence.

Senator ALLEN. Did you ever hear him discuss the tariff with these lawyers?

Mr. WALKER. No. I never was in Buttz's room. The only place I met him was in the public room and Maj. Harris's room.

Senator ALLEN. Was anything ever said by Maj. Buttz about money to defeat the tariff bill?

Mr. WALKER. No.

Senator ALLEN. Did Maj. Buttz ever say anything to you?

Mr. WALKER. Never did.

Senator ALLEN. Or any other persons there?

Mr. WALKER. Never did. I knew that Maj. Harris was very much opposed to Cleveland's administration and this tariff bill, and we used to discuss that in there, but never discussed it in the presence of Buttz.

Senator ALLEN. Do you know whether Maj. Harris was representing any New Jersey or New York interests here in this city?

Mr. WALKER. I do not. I think he had some cotton claims or some other claims in the West.

Senator ALLEN. How long had he been here before his death?

Mr. WALKER. Five or six years. I never boarded at this house until last November or December.

Senator ALLEN. Did you ever hear anything going on among your acquaintances at the hotel about the use of money?

Mr. WALKER. No. This is only a boarding house.

Senator ALLEN. You met there in the public parlor and reception room?

Mr. WALKER. We used to meet down there and play cards in the parlor; and I met Buttz there. I had been in Maj. Harris's room.

Senator ALLEN. Did you know what Mr. Buttz's business was in the city?

Mr. WALKER. Only he told me that he represented some claim before the Land Office from Great Falls, Mont.

Senator ALLEN. Did he ever say anything to you about representing any wool interests, or anything of that kind?

Mr. WALKER. He never did. I never discussed politics or anything else with Mr. Buttz, and I do not believe that any one in the house did but Maj. Harris.

Senator ALLEN. Were Maj. Buttz and Maj. Harris frequently together?

Mr. WALKER. Yes. I have seen Maj. Buttz in Maj. Harris's room.

Senator ALLEN. They used to visit back and forth?

Mr. WALKER. Yes. I used to play cards in there.

Senator ALLEN. Did you ever see any other lawyer there with Maj. Buttz?

Mr. WALKER. Yes; old Judge Harris, of this city.

Senator ALLEN. What is his name?

Mr. WALKER. George T. Harris.

Senator ALLEN. What is the number?

Mr. WALKER. Grant Court—Grant Row. Judge Harris was there often. He was from this city and he had some claims here. My impression is that Maj. Harris was representing these claims of Judge Harris as one of his counsel. Judge Harris was formerly a member of Congress and once attorney-general of Mississippi.

Senator ALLEN. What other lawyers did you see except Maj. Harris and Maj. Buttz?

Mr. WALKER. Maj. Carrington used to come there to see me.

Senator ALLEN. I speak of Maj. Harris's room.

Mr. WALKER. I do not know any of them. I know one or two lawyers who came there whom he did not know.

Senator ALLEN. Do you know whether Judge Harris was representing any corporate interests there?

Mr. WALKER. No, he was not. Judge Harris told me that he had employed Maj. Harris to attend to some matters here that he had before the Departments.

Senator ALLEN. How old a man in your judgment is Judge Harris?

Mr. WALKER. As old as I am.

Senator ALLEN. How old a man was Maj. Harris?

Mr. WALKER. Sixty-one or 62 years of age. I am 68 years of age, or nearly so.

Senator ALLEN. If any lawyer had come into that boarding-house frequently to see Maj. Buttz, who lived there, boarded there, and talked upon the subject of the use of money to influence votes on the tariff issues, have you any idea who that man was?

Mr. WALKER. I certainly have not, and I think I would have heard something about it.

Senator ALLEN. Do you know of any lawyer whom Maj. Buttz was in the habit of visiting, at his office or home?

Mr. WALKER. I do not. There was one lawyer whose name I mentioned just now that used to come to see him and who was counsel for Maj. Harris. I do not think Maj. Carrington ever knew anything about Buttz or Maj. Harris, except what he learned from me. Maj. Carrington came to see me.

Senator ALLEN. What interests was Mr. McGowan representing?

Mr. WALKER. I think he was Maj. Harris's counsel. He used to speak to me frequently about his friend McGowan.

Adjourned until to-morrow, 22d instant, at 10 o'clock a. m.

WASHINGTON, D. C., *May 22, 1894.*

The committee met pursuant to adjournment.

Present: The chairman (Senator Gray), Senators Lindsay, Davis, Lodge, and Kyle.

Mr. McGowan, counsel for Mr. Buttz, appeared before the committee and announced that Mr. Buttz had been looking for the man whose name he was directed to furnish to the committee, and did not know until this morning that the man had left the city, and therefore suggested that Mr. Buttz was not as yet prepared to give the name, having failed to secure the party's consent thereto; whereupon Mr. McGowan was informed by the chairman that the right of the committee to the name of the party did not depend upon that party's consent, and Mr. McGowan was directed to produce Mr. Buttz for the purpose of disclosing the name.

SWORN STATEMENT OF SENATOR RICHARD COKE.

The CHAIRMAN. You are a Senator of the United States from the State of Texas?

Senator COKE. I am.

The CHAIRMAN. You are serving as such at this present session of Congress?

Senator COKE. I am.

The CHAIRMAN. Do you know Senator Eppa Hunton?

Senator COKE. Very well.

The CHAIRMAN. And Senator Kyle?

Senator COKE. I know both of them.

The CHAIRMAN. How long have you known Mr. Kyle?

Senator COKE. Since he has been a member of the Senate. I do not remember how long that has been.

The CHAIRMAN. How long have you known Senator Hunton?

Senator COKE. I knew him casually before he became a member of the Senate, and very well since.

The CHAIRMAN. Did you ever hear Senator Hunton speak of the visit of a man named Buttz to his son?

Senator COKE. I heard him relate the whole thing.

The CHAIRMAN. How long ago was that?

Senator COKE. Some three weeks ago, I reckon.

The CHAIRMAN. Narrated it to you?

Senator COKE. Narrated it to me and Senator Harris; I think we were together. I think he talked with me, but I was not with Senator Harris.

The CHAIRMAN. Just state the substance as briefly as you can.

Senator COKE. The substance was that this man—I do not know that he was named at the time—had been up into Warrenton where his son lives and made a proposition to his son respecting the Senator's vote in the Senate on the tariff bill.

The CHAIRMAN. Do you recollect how long ago that was?

Senator COKE. It has been some three weeks ago. I ask Senator Harris if that is not so?

Senator HARRIS. Do you speak of the Eppa Hunton episode?

Senator COKE. Yes.

Senator HARRIS. I can not fix the time. It has been four or six weeks ago, and more likely six than four.

The CHAIRMAN. You say that you know Senator Kyle?

Senator COKE. Yes.

The CHAIRMAN. Did he ever speak to you about a man named Butts approaching him on the tariff bill?

Senator COKE. He spoke to me about a man who approached him and the circumstances, that is, the methods that he, Kyle, pursued with the man to secure testimony against him. That is about the time Senator Hunton had spoken to us about it.

The CHAIRMAN. In brief, what was it that Senator Kyle said? Do not give any details at all.

Senator COKE. He did not go much into details. On the same day, I think, I told Senator Hunton about what Senator Kyle told me. I think Senator Kyle said that this man had approached him and that he had referred him to his secretary.

The CHAIRMAN. Did he say what his purpose was in referring him to the secretary?

Senator COKE. To get some other evidence besides his own.

The CHAIRMAN. Did he give the name of the man who approached him?

Senator COKE. He did not give the name of the man. I did not ask the name of the man. I do not think Senator Kyle gave the name of the man.

The CHAIRMAN. Did he say in what manner he approached him?

Senator COKE. He approached him in reference to his vote against the tariff bill.

Senator ALLEN. Did you understand Mr. Kyle to tell you this right shortly after it occurred?

Senator COKE. Yes.

Senator ALLEN. About the time it occurred?

Senator COKE. About the time it occurred, and did not bind me over to secrecy.

Senator ALLEN. He told you that he was working this man to get more evidence against him?

Senator COKE. He told me that he talked with this fellow and concluded in his own mind that he wanted some other testimony against him and he referred the man to his secretary.

Senator ALLEN. It was for the purpose of getting additional testimony against the man?

Senator COKE. Yes.

SWORN STATEMENT OF SENATOR DANIEL W. VOORHEES.

The CHAIRMAN. You are a Senator of the United States from the State of Indiana?

Senator VOORHEES. Yes.

The CHAIRMAN. And have been such during the present session of Congress?

Senator VOORHEES. Yes.

The CHAIRMAN. Do you know Senator Kyle?

Senator VOORHEES. I do.

The CHAIRMAN. How long have you known him?

Senator VOORHEES. Since he entered the Senate.

The CHAIRMAN. Will you please state to the committee whether Senator Kyle at any time made any statement to you in regard to a

man named Buttz or some man approaching him in regard to his vote on the tariff bill?

Senator VOORHEES. He made a statement to me regarding some man. I do not remember whether he mentioned the name.

Senator DAVIS. How long ago was that?

Senator VOORHEES. It was shortly before I spoke. I was thinking a while ago. I spoke in opening this tariff debate on the 2d of April, and in fixing the thing in my mind, which is somewhat difficult to do, I concluded it was prior to that and a little while before, maybe a week or ten days. Mr. Kyle stopped me at his seat when I was passing him and talked in a manner that led me to believe he was a good deal impressed; that he had been approached on this subject, mentioned the amount, the circumstances somewhat, and of getting it through his clerk, I believe. I do not think he mentioned the name of the party. If he did it has escaped my mind. He talked with me as if attaching a good deal of importance to it. I remember I thought at the time that he was perhaps attaching more importance to it than was due. I am not apt to attach much importance to matters of that kind unless they assume very definite proportions. He said something about intending to discover the bottom of it to find out what there was to it, which I commended—thought that was well—if there was money floating around to influence legislation it was well to find it out. The conversation was a marked one on his part, and yet I can not give any more of the details.

Gen. Hunton never spoke to me on the subject unless quite lately, since the matter was agitated.

Senator ALLEN. Did you understand from Senator Kyle that he had been approached just prior to that time?

Senator VOORHEES. It seems to me that way?

Senator ALLEN. The latter part of March?

Senator VOORHEES. That is the impression that was made upon my mind, that the circumstance was a recent one with him and had made a marked impression on him.

Senator ALLEN. Did you understand from what he said of his directing this party to speak to his clerk as part of the method he had adopted for the purpose of developing the fact of getting accumulated evidence against the man?

Senator VOORHEES. Yes; I got that impression.

SWORN STATEMENT OF SENATOR ISHAM G. HARRIS.

The CHAIRMAN. You are a Senator of the United States from the State of Tennessee?

Senator HARRIS. I am.

The CHAIRMAN. And have been such during the present session of Congress?

Senator HARRIS. I have.

The CHAIRMAN. Do you know Senator Eppa Hunton, of Virginia?

Senator HARRIS. Very well.

The CHAIRMAN. He is a Senator of the United States from the State of Virginia?

Senator HARRIS. Yes; he is.

The CHAIRMAN. Will you be good enough to state to the committee whether Senator Hunton made any statement to you, and if so, what,

as to an attempt on the part of a man named Buttz, or any man, to influence his vote in regard to the tariff bill.

Senator HARRIS. Quite five or six weeks ago, but my memory is uncertain as to the time; immediately after the return of Senator Hunton from his home in Virginia, he asked me to go into the marble room, where he said to me that a man from Washington had come to Warrenton (if that be the place of his home in Virginia) bringing a letter of introduction to his son from some other man in Washington, who, in the course of his visit, had offered to his son—I think he said—$25,000, if he (the son) would control his father's vote against the pending tariff bill, and asked me what I thought he ought to do in respect of such matter. I told him the inclination of my mind at first blush. As it was evident such effort was being made to attempt to use money to influence votes in the Senate, he ought to announce the fact in the Senate. But I said, consult some other Senator. He said I was the first and only person to whom he had mentioned the fact. I suggested, I do not remember whom, but advised him to consult with other Senators about it, giving as my own opinion that it was a matter to which public attention should be called.

I afterwards learned from him that he had conferred with other Senators, but he felt a delicacy, as he said to me, in announcing the fact that anybody on earth should think that he could be approached in such a way.

The CHAIRMAN. Had some feeling of mortification about it?

Senator HARRIS. Yes, decidedly; expressed to me a sense of humiliation that anybody under any circumstances should think that he could be approached in such a matter.

The CHAIRMAN. Did Senator Kyle speak to you?

Senator HARRIS. He did not. I heard of the Kyle matter through Senator Coke. Kyle did not talk to me about it.

SWORN STATEMENT OF SENATOR WILLIAM B. BATE.

The CHAIRMAN. You are a Senator of the United States from the State of Tennessee?

Senator BATE. Yes.

The CHAIRMAN. Do you know Senator Kyle, from South Dakota?

Senator BATE. Yes.

The CHAIRMAN. He is a Senator of the United States?

Senator BATE. Yes.

The CHAIRMAN. How long have you known him?

Senator BATE. Only since he came here to the Senate.

The CHAIRMAN. Did Senator Kyle ever speak to you or make any statement, and if so, what, in regard to an interview that he had with a man named Buttz or any person as to the vote he should give on the tariff bill?

Senator BATE. Yes. Senator Kyle and I sit side by side. He sat there before the death of Senator Vance, the seat being vacant, he being just behind me, and after the death of Senator Vance it became his seat. He sits on my right.

I do not know what brought the matter up, but it was through a discussion about lobbyists exercising influence on the tariff question that brought it up. He said there was evidence of that being used. I said, "How do you know?" He said, "I have been approached myself." I said, "About this matter—*this tariff question?*" He said, "Yes." I

said, "What did you do about it?"—something to that effect; before I said what did you do, I said, "Didn't you knock the fellow down?" He said, "No." I said, "Why did you not do it?" He then said he took, he thought, a better course, a wiser course. I said, "What did you do?" He said to me, "I sent him to my clerk." I said, "What clerk?" He said "The clerk of my committee." He perhaps mentioned his name, which I do not remember, and do not remember that he gave the name of the committee. I said, "What did you do that for?" He said, "I wanted another witness." He said "I wanted to be backed up"—something of kind. That was the substance—that he wanted to catch him; wanted to have somebody substantiate him in any statement that he made. That is what Senator Kyle said to me. I said, "Maybe in that view it is better." I said, "What are you going to do in the matter." He said he did not know. He asked me what he ought to do. I said, "If you had knocked the fellow down it would have been better."

The CHAIRMAN. About what time was this?

Senator BATE. I can not give you the date with accuracy, but some couple of weeks before he left here, and I understand he left the first of May to go home, so that I think it was five or six weeks ago. It may have been a little earlier or a little later.

Senator ALLEN. You understood from Senator Kyle that what he was doing all the way through was with the view of developing the fact that bribes were being offered.

Senator BATE. Clearly so. He made that as a reason to me for not knocking the fellow down.

Senator ALLEN. To get hold of as much evidence to that fact as possible at the time?

Senator BATE. Yes.

SWORN STATEMENT OF SENATOR JAMES K. JONES.

Senator DAVIS. You are a Senator from the State of Arkansas?

Senator JONES. Yes.

Senator DAVIS. Do you know Senator Hunton?

Senator JONES. I do.

Senator DAVIS. How long have you known him?

Senator JONES. For a number of years; I can not say how long—twelve or fourteen, ten or twelve years, I should say.

Senator DAVIS. Do you remember having a conversation with Senator Hunton during the present session in respect of an improper advance to him on the pending tariff bill?

Senator JONES. Yes; some time ago; I do not remember how long ago; Gen. Hunton said he wanted to talk to me one morning about a matter, a very delicate matter. He stated that on the day before, I think, or a day or two before, some man had gone to the home of his son in Virginia and had offered to give him $25,000 if he would make an argument that would make him vote against the tariff bill. He seemed to be very much worried and annoyed about it, and was doubtful about just what he ought to do, and was advising with me what course he should take in the matter. I did not give him any opinion, for I was doubtful about what he ought to do.

Senator DAVIS. Did he say what sum had been offered?

Senator JONES. Twenty-five thousand dollars, I think, was the sum.

Senator DAVIS. Can you fix the date with any more precision than you have?

Senator JONES. The only way I can approximate it is that I think the proposition was made the day before or the second day before.

The CHAIRMAN. Had Senator Hunton just returned from Virginia?

Senator JONES. That was my understanding—that he had just learned of the affair.

The CHAIRMAN. Had he just returned from Virginia.

Senator JONES. I do not know, but it was my impression that he had just learned of the offer; learned it within twenty-four hours.

Senator ALLEN. You understood that he spoke to you promptly?

Senator JONES. That is, immediately after he learned it himself. My impression is that he spoke to me on Monday morning; probably Tuesday morning. It was in the early part of the week, and I was under the impression that it had just occurred.

SWORN STATEMENT OF SENATOR GEORGE G. VEST.

The CHAIRMAN. You are a Senator of the United States from the State of Missouri?

Senator VEST. Yes.

The CHAIRMAN. And you are serving at the present session of Congress?

Senator VEST. Yes.

The CHAIRMAN. Do you know Senator Hunton, of Virginia?

Senator VEST. Very well.

The CHAIRMAN. The present Senator of the United States from that State?

Senator VEST. Yes.

The CHAIRMAN. How long have you known him?

Senator VEST. I have known him twenty-five years.

The CHAIRMAN. Did Senator Hunton ever make any statement to you, and, if so, what, as to the approach of a man named Buttz or some person to his son for the purpose of controlling his vote on the tariff bill?

Senator VEST. Yes. I would not undertake to give the exact date, but I was sitting in my seat in the Senate some weeks ago, possibly six weeks—I will not be positive about that—and I saw Senator Hunton in conversation with the chairman of this committee (Senator Gray) in the same aisle where my seat is. Senator Gray occupied Senator Ransom's seat—he and Senator Blackburn. At the termination of their conversation—I was engaged in writing something—Senator Hunton came to my desk and said he wanted to talk to me. He then went on to say it was a very delicate matter and one that gave him a good deal of trouble; that he was humiliated in having his name connected with any such transaction as he named.

He then said that his son had written him that a man had come to him (the son) with a letter of introduction from somebody in Washington, and my recollection is that this man wanted to see young Hunton at Warrenton in regard to a land claim, and wound up by saying that he wanted to give young Hunton $25,000 if he would get his father to vote against the tariff bill; that they intended to beat the bill; that this man, whose name I do not remember, and I do not think Senator Hunton gave it, was prepared to furnish young Hunton a written brief and argument which would furnish all the ostensible reasons necessary for his father to give that vote. There was a good deal more said, but that was about the substance. Senator Hunton

asked my advice. I asked him if he knew the man named who had given the letter of introduction to this person. He said he did not. Said I, "It seems to me the first thing to do is to ascertain that."

I said I would go down and see my son or write him and find out all the details of the transaction. I said, "of course there is but one of two things to do in a case of this sort—either to say nothing about it, (and that was a question for him to determine for himself,) or if he should mention it to go to the bottom of it. He said he wanted to go to the members of the Finance Committee, his friends. He said he did not object to my mentioning it to any Senator. I did talk to Senator Mills about it. But I did not hear anything more about it until this item in the newspapers. You may be able to fix the date, because we talked of it and discussed the matter shortly after the Senator left me.

WASHINGTON, D. C., *May 23, 1894.*

The committee met pursuant to adjournment.

Present: The Chairman (Senator Gray), Senators Lindsay, Davis, Lodge, and Kyle.

SWORN TESTIMONY OF MR. C. W. BUTTZ—Resumed.

The CHAIRMAN. When you were testifying last, on Monday evening, you spoke of an attorney in Washington who had told you that if he could find out how Senator Kyle would vote on the tariff bill he, the attorney, would get $15,000, of which you would get $1,000.

Mr. BUTTZ. That he would make $15,000.

The CHAIRMAN. And give you $1,000.

Mr. BUTTZ. And give me $1,000 to find out.

The CHAIRMAN. You were asked the name of the attorney, which you were at that time declined to give. Are you prepared to give it now?

Mr. BUTTZ. Yes. I have seen the gentleman, and he did not consent to my giving his name. He denies that he told me that.

The CHAIRMAN. Who is that gentleman?

Mr. BUTTZ. His name is Edward Holman. He has a middle name, Edward K. Holman or Edward G. Holman. Your will find it in the directory. You will find his law office on G street between Seventh and Eighth streets, on the north side of G.

The CHAIRMAN. How long had you known him?

Mr. BUTTZ. Oh, four or five years—no, two or three years, I guess.

The CHAIRMAN. How old a man is he?

Mr. BUTTZ. About your age, I guess.

The CHAIRMAN. Where was it that he so told you that he could make $15,000 if he could find out how Senator Kyle would vote on the tariff bill, and would give you $1,000 for doing that?

Mr. BUTTZ. I never said that he could make $15,000 if I could find out how Senator Kyle would vote, but he could make $15,000 if the tariff bill was beaten, and would give me $1,000 if I could find out how Senator Kyle would vote.

The CHAIRMAN. Where was this?

Mr. BUTTZ. At my boarding house.

The CHAIRMAN. Does he call there frequently?

Mr. BUTTZ. No. He called there to see me at the house. It was in Maj. Harris's room.

The CHAIRMAN. When was it?

Mr. BUTTZ. Early in April. Maj. Harris was taken sick, and he died on the 11th of April, and he was sick about a week. He had acute pneumonia, and died in about a week. I think he was in Mr. McGowan's office the day he was taken sick. He was out on the street.

The CHAIRMAN. When was that?

Mr. BUTTZ. He died on the 11th, and I think it must have been a week before that, between the 1st and 5th of April.

The CHAIRMAN. How long afterwards was it that you told Senator Kyle?

Mr. BUTTZ. I had several interviews with Senator Kyle about the matter, and I do not know at which one of those interviews it was, but it was soon afterward.

The CHAIRMAN. Was it the first interview in which you talked about the tariff, and the only one?

Mr. BUTTZ. I do not know that we talked before. I said so much to him about money that I do not feel able to say. I took little stock in him; it was mere idle talk.

The CHAIRMAN. According to your best recollection it was between the 1st and 5th of April that Mr. Holman so told you?

Mr. BUTTZ. That was the talk in Mr. Harris's room, and I believe with Mr. Holman.

The CHAIRMAN. Who was present at the interview?

Mr. BUTTZ. Maj. Harris was there.

The CHAIRMAN. Any one else?

Mr BUTTZ. That I do not recollect—whether Mr. Rollins was there or not. Maj. Harris was feeling unwell, and he had been feeling unwell for three or four years. He was out three or four days, and was out the day before he was taken sick with acute pneumonia, but he kept his room mostly for three years; would go out very little.

The CHAIRMAN. What did you say to that proposition of his?

Mr. BUTTZ. I told him that I did not know whether I could find out or not; that when I saw Mr. Kyle again I would try to find out whether he would vote for or against the bill; that I was opposed to it.

The CHAIRMAN. Did Mr. Holman ever speak to you again about the matter?

Mr. BUTTZ. No; Maj. Harris was taken sick about that time, and got so sick that nothing further was ever said to him, and I have no more recollection about Holman speaking to me about it until I went to see him the other day.

The CHAIRMAN. Did he ever ask you whether you found out how Mr. Kyle would vote?

Mr. BUTTZ. No; I do not recollect. I do not think there was any talk about that. I do not think I ever told him.

The CHAIRMAN. Did he ever ask you whether you had found out?

Mr. BUTTZ. No; I do not think he did.

The CHAIRMAN. Did you find out?

Mr. BUTTZ. No; I did not.

The CHAIRMAN. After that did you see Mr. Holman?

Mr. BUTTZ. Mr. Holman's office is right around the corner from where I room, and I saw him quite frequently. I have been here all winter.

The CHAIRMAN. You did see Mr. Holman frequently after that?

Mr. BUTTZ. No; I do not think I did. I did not see him frequently

and talk to him, but he would pass and repass, and he frequently came into Maj. Harris's office.

The CHAIRMAN. How often did you meet him?

Mr. BUTTZ. I can not say that.

The CHAIRMAN. Did you meet him in the sense of a person whom you knew and have some interchange of speech with him?

Mr. BUTTZ. I may have met him two or three times afterwards.

The CHAIRMAN. And you are sure the matter was not mentioned afterward?

Mr. BUTTZ. I have no recollection that it was.

The CHAIRMAN. You say you did say you would try to find out how Senator Kyle would vote?

Mr. BUTTZ. I did have a talk with Mr. Kyle to try to persuade him that it would be to the interest of our Northwest farmers to defeat the tariff bill.

The CHAIRMAN. And you did tell Mr. Holman that you would try to find out?

Mr. BUTTZ. I did.

The CHAIRMAN. And you never succeeded?

Mr. BUTTZ. No.

The CHAIRMAN. And you afterwards met Mr. Holman?

Mr. BUTTZ. I do not recollect telling him.

The CHAIRMAN. You did not tell him of your want of success?

Mr. BUTTZ. No.

The CHAIRMAN. And he never asked you?

Mr. BUTTZ. He never asked me. I regarded it more as idle talk, and took no serious account of it.

The CHAIRMAN. Is Holman a man engaged in practicing law here now?

Mr. BUTTZ. I believe he is.

The CHAIRMAN. An active practitioner?

Mr. BUTTZ. I believe so.

The CHAIRMAN. A man of standing at the bar?

Mr. BUTTZ. I do not know how he stands at the bar.

The CHAIRMAN. How does he impress you?

Mr. BUTTZ. It strikes me he stands well.

The CHAIRMAN. Struck you as a man of intelligence and character?

Mr. BUTTZ. Yes.

The CHAIRMAN. So far as you know, I mean?

Mr. BUTTZ. Yes.

The CHAIRMAN. And you have no other acquaintance with him?

Mr. BUTTZ. No.

The CHAIRMAN. Do you know of his being engaged in matters before Congress, promoting them or opposing them?

Mr. BUTTZ. He came to me one day with a bill and asked me to get Senator Hansbrough to introduce it. It was a bill relating to a party down in the navy-yard who had been killed by loading a shell—bomb.

The CHAIRMAN. A claim on the Government that required the action of Congress?

Mr. BUTTZ. He wanted a bill introduced to pay the widow for the loss of her husband's life.

The CHAIRMAN. One of those ordinary classes of cases against the Government that require Congressional action?

Mr. BUTTZ. Yes.

The CHAIRMAN. Is that the only case which you know of Mr. Holman being engaged in?

Mr. BUTTZ. The only one I recollect.

The CHAIRMAN. Had you ever consulted him about any claims against the Government and before Congress?

Mr. BUTTZ. No.

The CHAIRMAN. Had you ever employed him in any legal matters?

Mr. BUTTZ. No.

The CHAIRMAN. So far as you know, Mr. Holman is a man of good standing, intelligence, and character?

Mr. BUTTZ. Yes.

The CHAIRMAN. Why did you say that if you should tell us who it was we would laugh?

Mr. BUTTZ. Well, I believed you would, because there is no earthly relation to it. I do not believe either of them had a cent or any means of getting it.

The CHAIRMAN. Why did you say that when we heard his name we would laugh?

Mr. BUTTZ. I, perhaps, made a thoughtless remark to that extent. I do not know of anything in his name to laugh about, but about the proposition of $15,000.

The CHAIRMAN. You say that Mr. Holman is a man of fair intelligence, and, so far as you know, of good standing and character in the community?

Mr. BUTTZ. Yes, sir.

The CHAIRMAN. A lawyer, and has an office?

Mr. BUTTZ. Yes.

The CHAIRMAN. What is there about him that would excite amusement at hearing his name?

Mr. BUTTZ. I do not think that remark I intended to apply to him, but I think to the transaction—what was said.

The CHAIRMAN. You told us what was said. You said we would be amused, or laugh, some such expression, when we heard his name.

Mr. BUTTZ. I did not mean that as applying to him.

The CHAIRMAN. Mr. Holman is the gentleman you had in mind on Monday?

Mr. BUTTZ. Yes.

The CHAIRMAN. Where were you yesterday? I ask because we expected you here yesterday at 10 o'clock.

Mr. BUTTZ. I was looking for a witness in the matter.

The CHAIRMAN. What witness?

Mr. BUTTZ. I could not find him.

The CHAIRMAN. What is his name?

Mr. BUTTZ. Clinton Rice.

The CHAIRMAN. Where does he live?

Mr. BUTTZ. He lives in Washington, here.

The CHAIRMAN. What is his business?

Mr. BUTTZ. I think he is a claim agent.

The CHAIRMAN. Has an office here?

Mr. BUTTZ. I think he has rooms here.

The CHAIRMAN. Where was he from originally?

Mr. BUTTZ. That I do not know.

The CHAIRMAN. How long have you known him?

Mr. BUTTZ. I never knew him intimately, but off and on for two or three years—about two years. I heard that he was at Leesburg, Va., and I went and took the train to find him on yesterday, but was unable to find him, and came back. I told Mr. McGowan.

The CHAIRMAN. Why was it necessary to see Mr. Rice before you testified on yesterday?

Mr. BUTTZ. It was not necessary. I did not think of Mr. Rice in my testimony yesterday. He had no connection with it.

The CHAIRMAN. Had he ever spoken to you about beating the tarift bill?

Mr. BUTTZ. We had general talks. I wanted to talk with him on another matter.

The CHAIRMAN. Had he ever talked with you about beating the tariff bill?

Mr. BUTTZ. I do not think he had.

The CHAIRMAN. Had he ever talked to you about Mr. Kyle and Mr. Hunton?

Mr. BUTTZ. I do not think I had. If anything, it was between Holman and Harris, and I wanted to find out if Rice did know. I wanted to see and talk with him; that is all.

The CHAIRMAN. Then you were not looking for the person Holman?

Mr. BUTTZ. No; I went to see Mr. Holman soon after leaving the committee room that day.

The CHAIRMAN. Then you are not seeking Holman to get his consent to your stating his name?

Mr. BUTTZ. No; I went to see Holman soon after I left the committee room.

The CHAIRMAN. You gave your counsel the impression that you were looking for the person whose name you declined to give on Monday, and that when you found him you would be here?

Mr. BUTTZ. That was a wrong impression that he got; that was not the fact. I went directly from the committee room that day to hunt up Mr. Holman; went to his house to see him.

The CHAIRMAN. You say that you did not go to see Mr. Rice with reference to anybody connected with this question before the committee?

Mr. BUTTZ. Yes. I did not say had no connection. I went to see him to ascertain if he remembered a certain thing that I was going to ask him.

The CHAIRMAN. Will you state what that certain thing was?

Mr. BUTTZ. It was in connection with what Maj. Harris said.

The CHAIRMAN. In regard to what?

Mr. BUTTZ. In regard to this tariff business.

The CHAIRMAN. What is your recollection with regard to what Maj. Harris said?

Mr. BUTTZ. That he could make $15,000 if this bill were defeated.

The CHAIRMAN. That Maj. Harris said?

Mr. BUTTZ. Yes.

The CHAIRMAN. You wanted to ask Mr. Rice about that?

Mr. BUTTZ. Yes. He was acquainted with Maj. Harris and acquainted with me, and I wanted to know if he knew.

The CHAIRMAN. Will you tell the committee the special thing that you wanted Mr. Rice to tell you?

Mr. BUTTZ. Whether he heard Maj. Harris say that he could make $15,000 if the bill were defeated.

The CHAIRMAN. Had you ever heard Maj. Harris say that?

Mr. BUTTZ. If I did, it was at the time Mr. Holman was in there; I was under the impression that Mr. Holman said it. He denies it; says that he did not say it—that Maj. Harris said it. I always believed that Mr. Holman was the one, but he says he did not say it. I was under

the impression that he was the one who said it to me, talking in Maj. Harris's room.

The CHAIRMAN. Is that the matter you were looking for Mr. Rice about?

Mr. BUTTZ. Yes.

The CHAIRMAN. What was your information?

Mr. BUTTZ. The landlady told me at the room that Mr. Rice had gone to inspect some coal fields in Virginia, and she told me that I could find him in Mr. Jenny's office, a lawyer in Leesburg. I went to Leesburg, and Mr. Jenny had gone to Albemarle County, an adjoining county, with his partner to attend court. I could not see anybody but Mrs. Jenny, and she said that her husband was away, and she would not know whether Mr. Rice was with him or not.

The CHAIRMAN. Had you ever had any conversation with Rice about getting $15,000 in case this tariff bill was beaten?

Mr. BUTTZ. No.

The CHAIRMAN. Never?

Mr. BUTTZ. No.

The CHAIRMAN. Had he ever spoken to you about it?

Mr. BUTTZ. No.

The CHAIRMAN. You said awhile ago, I think, in reply to a question, that Mr. Holman was the person who told you that he could make or get $15,000 if the bill were beaten, and you do not recollect anybody being present but Mr. Rice and Mr. Harris.

Mr. BUTTZ. I do not recollect whether Mr. Rice was present or not. I wanted to see Mr. Rice for that.

Senator DAVIS. You say that Holman denies ever having had any such talk with you?

Mr. BUTTZ. Mr. Holman denies having said it to me.

Senator DAVIS. After that denial you went off to hunt up the other man for confirmation?

Mr. BUTTZ. After Holman denied it, I thought I would hunt up Rice to prove by him that Holman said it in Maj. Harris's room. I did not recollect whether Rice was there or not.

The CHAIRMAN. Did you tell your counsel that you were going there?

Mr. BUTTZ. I told my counsel what I was going to do; told him the whole thing.

The CHAIRMAN. You went to Warrenton to see Mr. Eppa Hunton, jr.; when was that?

Mr. BUTTZ. I do not recollect without looking at those letters. I have the papers with those letters. I recollect the fact of going there.

The CHAIRMAN. There is no dispute about the dates; there is no desire to trap you at all. That was not the object of my question.

Mr. BUTTZ (After examining letter). That is dated the 20th of March.

The CHAIRMAN. Yes.

Mr. BUTTZ. It was some time after that.

The CHAIRMAN. That you went there?

Mr. BUTTZ. Yes. Right in that connection I wish to say that I see by the newspapers, one of them, that Eppa Hunton, jr., kicked me out of the house. I would like to say that Mr. Eppa Hunton treated me like a gentleman. I was there an hour. He came to the door and bade me good-bye. Two or three hours before the train left I thought of my Land Office matter, that he might assist me, and I went back to his house, rang the door bell. The servant said he was asleep, and I

left my card. If he had kicked me out, I do not think I would have gone back.

The CHAIRMAN. Mr. Hunton did not say that, or anything like it. You went to see Mr. Hunton and speak to him about the matter mentioned in that letter, the business before the Land Office?

Mr. BUTTZ. Yes.

The CHAIRMAN. And he declined to have anything to do with it. I think you said in your examination on Monday that you drifted into a general conversation.

Mr. BUTTZ. General conversation. We had nothing else but general conversation.

The CHAIRMAN. Let me ask you if, in that general conversation, you offered him, or said he could receive, $25,000 if he would present an argument, with which you would furnish him, to his father to defeat the tariff bill?

Mr. BUTTZ. Not in that sense. I have no doubt I said that these parties would give a large fee.

The CHAIRMAN. Did you tell him that you would give him $25,000 if he would present an argument to his father to vote against the bill?

Mr. BUTTZ. Not that I would give him $25,000.

The CHAIRMAN. Did you say that anybody else would?

Mr. BUTTZ. I have no doubt that I said to Eppa Hunton that they would pay a large sum. It was general talk.

Senator DAVIS. Did you at that interview offer to furnish Mr. Hunton an argument to be used on the tariff bill?

Mr. BUTTZ. Not at all; I talked against the bill.

Senator DAVIS. Did you at that conversation say that young Hunton could or would receive from any source any sum of money contingent upon his voting against the tariff bill?

Mr. BUTTZ. No.

The CHAIRMAN. You never did?

Mr. BUTTZ. I have no doubt I have said that anybody could get a fee if they would bring any influence to bear. But as to saying he could get a fee if his father voted against it, he misunderstood me entirely; I said nothing of the kind.

The CHAIRMAN. Did you mention any specific sum?

Mr. BUTTZ. I may have said $25,000, $50,000, $75,000, or $100,000. We talked about different things, talked an hour there.

The CHAIRMAN. But you never made a specific offer to him on your behalf or on behalf of anybody else if he would present that argument to his father and convince him that he should vote against the bill; you never said he would receive $25,000 or any other amount for that?

Mr. BUTTZ. No; never did. He may have understood it differently from what I did. I intended to make no such offer. I had no authority to do so, and I do not see why he should understand it that way.

The CHAIRMAN. Had you had the conversation with Mr. Holman when you went to see Mr. Hunton, in regard to the $150,0 0?

Mr. BUTTZ. I do not know the date; I do not recollect. I can not tell from that letter of introduction the date I went down there. I would have to go and look at the hotel register at Warrenton, which will show. I took my dinner at the hotel.

The CHAIRMAN. You say that the conversation with Mr. Kyle in which Mr. Kyle refers to $15,000 you offered to pay him was a mistake; that you only referred to $15,000 that this attorney would receive?

Mr. BUTTZ. No; that he could make.

The CHAIRMAN. If the bill was beaten?

Mr. BUTTZ. If the bill was beaten.

The CHAIRMAN. Now, you say, you may have told him that they would give $25,000, or some other large sum, if the bill was beaten—before that had anybody talked to you of their being able to make $25,000 if the bill was beaten?

Mr. BUTTZ. No; all I have is the newspaper talk—that large amounts of money were used or being used.

The CHAIRMAN. Where did you go when you went to Warrenton; when did you arrive there?

Mr. BUTTZ. I left here on a Sunday morning and when I arrived there I went to the hotel, registered, and took dinner—early dinner.

The CHAIRMAN. In what name did you register?

Mr. BUTTZ. Charles W. Buttz.

The CHAIRMAN. Where from?

Mr. BUTTZ. I do not know whether it was from Virginia—I used to live there—or Washington, or North Dakota.

The CHAIRMAN. Did you register from Richmond?

Mr. BUTTZ. I do not remember as to that.

The CHAIRMAN. Did you register from Richmond?

Mr. BUTTZ. The register may show so.

The CHAIRMAN. If you so registered, why did you register from Richmond?

Mr. BUTTZ. There would be no reason—a stranger going to Warrenton. I do not remember that I did.

The CHAIRMAN. You say you may have done so. Why did you do so?

Mr. BUTTZ. I do not know that I could give any reason.

The CHAIRMAN. You went immediately from Washington?

Mr. BUTTZ. I went immediately from Washington.

The CHAIRMAN. How long have you been in Washington?

Mr. BUTTZ. Since the commencement of Congress.

The CHAIRMAN. Since last December?

Mr. BUTTZ. Yes.

The CHAIRMAN. How long since you have been in Richmond?

Mr. BUTTZ. A good many years—1869 or 1870.

The CHAIRMAN. Not since 1870?

Mr. BUTTZ. No.

The CHAIRMAN. Can you give any reason why you did register from Richmond, if you did register from Richmond?

Mr. BUTTZ. No; I can not now imagine.

The CHAIRMAN. You say you do not know whether you did or not?

Mr. BUTTZ. I do not remember. I may have done so.

The CHAIRMAN. You may have done so. Why do you say that if you have not lived there for a quarter of a century?

Mr. BUTTZ. I would not register from Washington.

The CHAIRMAN. That is where you last came from?

Mr. BUTTZ. It was not for the purpose of deceiving Eppa Hunton, because my letter disclosed.

The CHAIRMAN. Why did you register from Richmond?

Mr. BUTTZ. Because I did not reside in Washington.

The CHAIRMAN. Why did you not register from North Dakota?

Mr. BUTTZ. I suppose I could have registered from North Dakota. It does not make any difference where I registered from.

The CHAIRMAN. That depends. Why did you not register from North Dakota or Washington?

Mr. BUTTZ. I lived at Norfolk.

The CHAIRMAN. Why did you not register from there, if you lived at Norfolk since you lived at Richmond?

Mr. BUTTZ. No; Richmond last.

The CHAIRMAN. How long were you in Richmond?

Mr. BUTTZ. I do not recollect.

The CHAIRMAN. A month?

Mr. BUTTZ. I do not recollect how long I lived in Richmond.

The CHAIRMAN. Did you live there a month?

Mr. BUTTZ. I have stopped in Richmond off and on for four or five years. My permanent residence was in Norfolk.

The CHAIRMAN. You did not register at Warrenton as from Norfolk?

Mr. BUTTZ. No.

The CHAIRMAN. You say you might have registered from Richmond. Something must have operated on your mind to cause you to do that. Why did you register from Richmond?

Mr. BUTTZ. I do not know that I did. I have no reason to assign for it.

The CHAIRMAN. You can assign no reason at all?

Mr. BUTTZ. I can not think of any.

The CHAIRMAN. You say you have not lived in Richmond since 1870?

Mr. BUTTZ. No.

The CHAIRMAN. And you can not tell whether you lived there a month continuously?

Mr. BUTTZ. No.

The CHAIRMAN. Did you ever live there a week?

Mr. BUTTZ. Yes; off and on a longer time than that.

The CHAIRMAN. Putting them all together?

Mr. BUTTZ. No.

Senator LINDSAY. When you were talking to Mr. Kyle, and attempting to find out how he would vote, did you believe there was $1,000 in sight for you?

Mr. BUTTZ. No; I never thought it would come from Holman. He never had a cent. He lived on borrowed money rather than anything else. That is why I said you would laugh.

Senator LINDSAY. You never did talk to Senator Kyle until after that man said if the bill was beaten he could make $15,000?

Mr. BUTTZ. Yes; I had. I talked to Kyle the very first time I went to see him. That was my hobby. There was a stress brought on us farmers out there, and I spoke to him the first time I went after him.

The CHAIRMAN. Why did you mention to Senator Kyle that you could make $1,000 and he $14,000 if you did not believe this man?

Mr. BUTTZ. You certainly do not comprehend what I meant. I stated to Mr. Kyle, a laughable matter, that there was $15,000 to be made to find out how he would vote; that is, if the bill was beaten, and the man would give me $1,000 if I could find out how he would vote.

The CHAIRMAN. You say you did not consider that offer to be made by a responsible person, and attached no weight to it?

Mr. BUTTZ. No weight.

The CHAIRMAN. I ask you why you thought it of sufficient importance to mention it to Mr. Kyle?

Mr. BUTTZ. More in a joking way, to show how ridiculous these things were.

The CHAIRMAN. What ridiculous things?

Mr. BUTTZ. The talk that there was $1,000 to find out how he would vote.

The CHAIRMAN. You told him that you were offered $1,000 to find out how he would vote?

Mr. BUTTZ. Yes.

The CHAIRMAN. And the person who made the offer to you would make $14,000?

Mr. BUTTZ. Yes.

Senator DAVIS. Did you tell Senator Kyle that this was a laughable matter?

Mr. BUTTZ. I do not believe I did.

The CHAIRMAN. And you did not believe it when you heard it?

Mr. BUTTZ. Certainly not.

The CHAIRMAN. You stated that you believed Mr. Holman to be a man of fair standing and character?

Mr. BUTTZ. Yes.

The CHAIRMAN. And yet you did not believe what he said?

Mr. BUTTZ. I did not believe that he could get $1,000; I did not believe that he had it.

The CHAIRMAN. That he could make it?

Mr. BUTTZ. I did not believe it; I do not care whether it was speculating on stock or betting, or both; did not believe that he had the means of making it.

Senator LINDSAY. When you were talking to young Mr. Hunton about these large sums of money that could be utilized for or against the tariff bill, did you believe what you were talking about then?

Mr. BUTTZ. That is, in one sense of the word I did, and in another I did not; just as you do about these charges that are now going around in the newspapers.

Senator LINDSAY. Did you believe that there were large sums of money raised by the high-tariff men and the English people interested in the low tariff?

Mr. BUTTZ. Seriously, I do not believe I did.

Senator LINDSAY. And you do not believe now that the money was raised by either side?

Mr. BUTTZ. That is my judgment. I have talked it to different people.

Senator LINDSAY. And did not believe it?

Mr. BUTTZ. In one sense of the word I did not?

The CHAIRMAN. In which sense of the word?

Mr. BUTTZ. A man is not to believe unless he knows. I had the impression that a man's interest would lead him to raise money to protect his interests; but to believe, I must know.

Senator LINDSAY. You believed that a man interested would raise money to corrupt the Congress of the United States; to influence its action upon a matter upon which he was interested?

Mr. BUTTZ. No; I do not believe the Congress of the United States is corrupt.

Senator LINDSAY. Not that it is corrupt, but that men would raise money to corrupt it?

Mr. BUTTZ. Not necessarily to corrupt, but to raise money to make arguments and speeches. I do not see why you should say corrupt purposes; there are legitimate purposes, as well as corrupt purposes, for which money could be raised.

Senator LINDSAY. Do you believe that it would be legitimate to make $1,000 by finding out how a Senator would vote?

Mr. BUTTZ. If a man is willing to throw his money away that way it would not affect the Senator.

Senator LINDSAY. When you applied to Senator Hunton for a letter of introduction to his son, was that before or after the Holman and Harris matter?

Mr. BUTTZ. I applied to Senator Hunton before Maj. Walker wrote this.

Senator LINDSAY. How long before?

Mr. BUTTZ. I do not know. I came here when Congress met. Maj. Walker gave it to me in March.

Senator LINDSAY. Was not Walker the man who recommended young Hunton to you?

Mr. BUTTZ. I did not know that Senator Hunton had a son.

Senator LINDSAY. It was after Mr. Walker recommended him that you saw the Senator?

Mr. BUTTZ. Yes.

Senator LINDSAY. You had no doubt that if the Senator had given you a letter to his son you would have been able to enlist his son in any business arrangements you might have?

Mr. BUTTZ. I do not know about the business arrangements. I am satisfied if the father had given me a letter the son would have gone into this Land Office matter.

Senator LINDSAY. You thought you would have accomplished more by a letter of introduction from the father?

Mr. BUTTZ. I knew the Senator a number of years. I know him in one sense better than he knows me. I have passed out of his sight. I speak to him when I come to Washington. I was in the Corcoran Building. I did not go down there for that purpose. I went to see Judge Merriman, and I talked with him about it. I had to get a lawyer. All these things come back to me as you are going into details. I think the substance was that I wanted to find some outside lawyer, outside of the district, whom the influence of these corporations would not affect; a man who would go into the Department and not be afraid to make the fight that I wanted him to make. The land lawyers here are afraid to make the fight.

Senator LINDSAY. Would the fight you wanted him to make involve any danger of disbarment?

Mr. BUTTZ. Not at all. I did not care to go into what I believed to be the corporation influence in the Department. Certain attorneys have the routine run there. I can give you my theory as to the opposition I had met with in my contest, and how I have been headed off one way and another.

Senator ALLEN. The name of this lawyer of whom you spoke is Edward E. Holman, 705 G street NW.; residence, 1910 Ninth street NW.

Mr. BUTTZ. Yes; that is the one; that is the man.

Senator ALLEN. About how long have you known this man?

Mr. BUTTZ. I do not know; two or three years, I reckon.

Senator ALLEN. You know a man by the name of Maj. Harris, a lawyer?

Mr. BUTTZ. Maj. Harris lived in the same house I did.

Senator ALLEN. What was Maj. Harris's business?

Mr. BUTTZ. Maj. Harris was a Confederate major, I was told, in the Confederate army.

Senator ALLEN. What was his business?

Mr. BUTTZ. I was going to tell you. He went from Georgia, after the war, to New Jersey and settled in Hoboken. He then settled in Washington. He was here several years, and he had a room in this house.

Senator ALLEN. What was his business?

Mr. BUTTZ. He had no special business, except, I think, claims.
Senator ALLEN. He was a claim agent, was he not?
Mr. BUTTZ. He was a claim agent; yes, sir.
Senator ALLEN. He was what is known in Washington and throughout the country as a lobbyist?
Mr. BUTTZ. I never knew him as a lobbyist.
Senator ALLEN. His business was to visit Senators and influence them in regard to claims?
Mr. BUTTZ. I never knew that.
Senator ALLEN. Did you know a man named Judge Harris?
Mr. BUTTZ. Yes.
Senator ALLEN. Who is Judge Harris?
Mr. BUTTZ. All I know about him is that I was told, since I have been here, that he was an ex-member from Mississippi.
Senator ALLEN. What is his business?
Mr. BUTTZ. A law writer. He goes to the law library and writes.
Senator ALLEN. He is a claim agent, too?
Mr. BUTTZ. I never knew him to do anything, except to write law books.
Senator ALLEN. Does he practice law, or pretend to practice law?
Mr. BUTTZ. I do not know.
Senator ALLEN. How old a man is he?
Mr. BUTTZ. He is an older man than I am.
Senator ALLEN. He has been a lawyer here at this bar?
Mr. BUTTZ. Not that I know of. I only met him the last winter before this.
Senator ALLEN. He is a law author, is he?
Mr. BUTTZ. Yes.
Senator ALLEN. How old is he?
Mr. BUTTZ. I should judge 70.
Senator ALLEN. Is he any relation of Maj. Harris?
Mr. BUTTZ. I think no connection.
Senator ALLEN. Where does he board—keep house?
Mr. BUTTZ. Grant Place.
Senator ALLEN. Some distance from where you board?
Mr. BUTTZ. Yes.
Senator ALLEN. Where do you board?
Mr. BUTTZ. At 719 Eighth street. I do not board; I only have a room there.
Senator ALLEN. Did Maj. Harris board or room there?
Mr. BUTTZ. Maj. Harris was there.
Senator ALLEN. Who is the proprietor of the house?
Mr. BUTTZ. Mrs. Sarah Willis.
Senator ALLEN. She has been keeping it for some months?
Mr. BUTTZ. Ever since I have been there.
Senator ALLEN. You and Maj. Harris and Judge Harris, Mr. Holman, and others were in the habit of meeting very frequently there, were you not?"
Mr. BUTTZ. No.
Senator ALLEN. In Maj. Harris's room and your room?
Mr. BUTTZ. No, no. I would go in there every day, nearly.
Senator ALLEN. Did not a number of you gentlemen frequently play cards there?
Mr. BUTTZ. I have played cards in Maj. Harris's room two or three evenings—not more than twice the whole winter.

Senator ALLEN. It was at one of these times that the conversation came up about the use of money to defeat the tariff bill?

Mr. BUTTZ. It was the talk all winter.

Senator ALLEN. Answer my question.

Mr. BUTTZ. I can not say.

Senator ALLEN. One of those?

Mr. BUTTZ. It was the talk all winter among the men who met in the house. We would see it in the newspapers, and we would talk about it.

Senator ALLEN. The newspapers are open to us; I am not asking about them, but about this conversation at the house. Who was the first person you heard speak of money being used to defeat the tariff bill?

Mr. BUTTZ. I do not recollect who spoke first.

Senator ALLEN. You do have a complete recollection that this man Holman said he could make $15,000 and you could get $1,000 of it if you could find out how Senator Kyle would vote on the tariff bill. How was that?

Mr. BUTTZ. Because that was a distinct time.

Senator ALLEN. In what room was that conversation held?

Mr. BUTTZ. In Maj. Harris's room, openly, in April, between the 1st and 5th, and before he was taken down sick.

Senator ALLEN. Before Maj. Harris was taken down sick had you not heard this conversation?

Mr. BUTTZ. We talked frequently about the tariff. Maj. Harris was bitterly opposed to the tariff, and he was denouncing it all the time.

Senator ALLEN. I asked you if you did not have a talk with Mr. Holman on the subject of money used to defeat the tariff bill.

Mr. BUTTZ. There was general talk.

Senator ALLEN. What did Holman tell you? Use his language as nearly as you can when he expressed a desire to find out how Senator Kyle would vote.

Mr. BUTTZ. I do not remember the exact language, but the general remark was that he could make $15,000 if the tariff bill was beaten; but whether on the stock exchange or how, I do not know.

The CHAIRMAN. He told you that he could make $15,000, and would give you $1,000 if you could ascertain how Senator Kyle would vote on the subject?

Mr. BUTTZ. That was the substance of it.

Senator ALLEN. He did not ask you to ascertain whether Senator Kyle was going to vote against the bill or not?

Mr. BUTTZ. Just find out how he would vote.

Senator ALLEN. And from that fact he could make $15,000?

Mr. BUTTZ. That is the substance.

Senator ALLEN. And for that information on your part he would give you $1,000? There was no other contingency upon which he was to give it to you?

Mr. BUTTZ. The bill was to be beaten.

Senator ALLEN. You were to have $1,000 whenever you ascertained that fact? That is true?

Mr. BUTTZ. That is the substance of it—no, not to have it then; he was only to make this money when the bill was beaten.

Senator ALLEN. But he was to give you $1,000 for your information whenever you found out definitely and reported to him the way in which Senator Kyle was going to vote. Then you were to have your $1,000?

Mr. BUTTZ. No one imagined that he had any money then.

Senator ALLEN. That is what he told you?

Mr. BUTTZ. No; that he would get $15,000 and would give $1,000 to find out.

Senator ALLEN. Do you mean to say that he told you that he would give $1,000 out of the $15,000 if he got it?

Mr. BUTTZ. You did not understand me to say that he would pay $1,000 immediately?

Senator ALLEN. Did you not testify repeatedly that he would give you $1,000 if you found out definitely how Senator Kyle would vote?

Mr. BUTTZ. You understood me wrongly if you understood that way.

Senator ALLEN. Where was he to get this?

Mr. BUTTZ. He did not say. It was general talk—did not say how or where.

Senator ALLEN. Do you mean to say that, upon that idle conversation alone, without believing what Maj. Harris said, without believing he had the money, and without knowing where the money was to come from, you went to Senator Kyle for the purpose of ascertaining how he was going to vote?

Mr. BUTTZ. No; nothing of the kind. I never went to Senator Kyle seriously believing that I would get $1,000. I did go to the Senator.

Senator ALLEN. You did not go to him seriously expecting that you would earn $1,000?

Mr. BUTTZ. No; I only told him what I had been offered?

Senator ALLEN. Why did you tell him?

Mr. BUTTZ. To show how ridiculous folks were talking; what proposition had been made?

Senator ALLEN. You deemed it proper to detail to him this idle conversation?

Mr. BUTTZ. I did not think it was improper.

Senator ALLEN. Did you deem it proper to try to ascertain how he was going to vote on the bill?

Mr. BUTTZ. It was not proper to influence him improperly, but I had a right to offer a legitimate argument.

Senator ALLEN. You have testified that you have a moral right to approach a Senator and lay before him *ex parte* arguments and undertake to influence his vote?

Mr. BUTTZ. Yes; I believe that it is my right to go there and show him that it is against my locality.

Senator ALLEN. And you believe you have a right to go to a Senator's chamber or committee room, wherever he may be, and have a secret conversation with him and seek to influence his vote?

Mr. BUTTZ. I do not know what you mean by secret conversation.

Senator ALLEN. Yes, you do know what I mean by secret conversation. You know I mean it as a conversation distinct from one in the presence of other persons. Now, you swear that you believe you have a right to do that?

Mr. BUTTZ. I do not swear that I have a right to have a secret conversation with a man.

Senator ALLEN. You swear that you have a right to approach a Senator or Member of Congress, and undertake by persuasion to influence his vote or his conduct?

Mr. BUTTZ. Influence his reason; convince him of what would be of most benefit to the country.

Senator ALLEN. Would you think you had a right to approach a judge who had a judicial duty to discharge in the same way?

Mr. BUTTZ. I have a right to go in and make an argument.

Senator ALLEN. That is, before the public. You have a right to go before committees; but do you think you have a right to go to one of these members of Congress and undertake to influence his vote?

Mr. BUTTZ. I would not hesitate to go to you, Senator——

Senator ALLEN. It was upon the strength of what Holman told you that you went to Senator Kyle and his clerk?

Mr. BUTTZ. No; I went to Kyle first.

Senator ALLEN. You went to Senator Kyle's clerk, McFarlane?

Mr. BUTTZ. Yes.

Senator ALLEN. You went to Mr. Kyle's committee room and called this clerk out on three or four occasions?

Mr. BUTTZ. No.

Senator ALLEN. On one or two occasions?

Mr. BUTTZ. Yes.

Senator ALLEN. And wanted to know from him whether the Senator had definitely concluded as to his vote?

Mr. BUTTZ. No.

Senator ALLEN. Did you not on one of those occasions, the last one, say to Mr. McFarlane that you wanted to know what the Senator had determined; that you were going down town to see these people, referring to the persons you were negotiating with. Did you not use language of that kind?

Mr. BUTTZ. I certainly was not negotiating with anybody, and could not use that language.

Senator ALLEN. Do you swear you did not use that language?

Mr. BUTTZ. Yes.

Senator ALLEN. Did you not say to Mr. Kyle's clerk that the money was in this city and in a bank?

Mr. BUTTZ. No.

Senator ALLEN. Did you not also say to him that he could trust you; that the money would be put in your hands in a sealed envelope, marked, and the money would be passed over to him?

Mr. BUTTZ. No; nothing of that kind.

Senator ALLEN. You did not use words to that effect?

Mr. BUTTZ. No.

Senator ALLEN. What is the nature of Mr. Holman's practice, speaking generally; what branch of practice is he engaged in?

Mr. BUTTZ. I know he has been before the Chilian commission.

Senator ALLEN. Do you know whether he is representing any special interest in the city or not?

Mr. BUTTZ. No; I do not.

Senator ALLEN. Do you know how long he has been practicing law here?

Mr. BUTTZ. I think for many years, to hear him talk.

Senator ALLEN. How old a man is he?

Mr. BUTTZ. I suppose 65.

Senator ALLEN. Did you learn from these gentlemen and others you were associated with at that time that there was any likelihood of money being raised to defeat the tariff bill?

Mr. BUTTZ. Only what we got on to from the newspapers.

Senator ALLEN. Did not you men attempt to originate a scheme among yourselves to ascertain how certain men would vote for the purpose of speculating upon those votes?

Mr. BUTTZ. No; nothing of that kind.

Senator ALLEN. When you first went to see young Hunton at War

renton, you first talked with him about employing him as an attorney in a land matter pending in the Interior Department?

Mr. BUTTZ. Yes.

Senator ALLEN. When you found that he could not be employed, did you not use this language, "That is not what I wanted to see you about, anyway; I wanted to talk with you about the tariff bill?"

Mr. BUTTZ. No.

Senator ALLEN. You did not use that language, or language of that purport?

Mr. BUTTZ. No.

SWORN TESTIMONY OF MR. EDWARD E. HOLMAN.

The CHAIRMAN. State your name, age, residence, and occupation.

Mr. HOLMAN. Edward E. Holman; 48; Washington, D. C., and I am an attorney at law.

The CHAIRMAN. How long have you lived in Washington?

Mr. HOLMAN. Off and on since about 1872.

The CHAIRMAN. How long have you been a member of the bar?

Mr. HOLMAN. May, 1875—of the supreme court of the District of Columbia.

The CHAIRMAN. Prior to being admitted to the bar, what was your occupation?

Mr. HOLMAN. Contractor. I was at Holly Springs, Miss.

The CHAIRMAN. Is your home in Mississippi?

Mr. HOLMAN. Yes.

The CHAIRMAN. Do you know Maj. C. W. Buttz?

Mr. HOLMAN. Yes; I have known him three years, I guess. I would meet him here in Congress when it was in session, off and on. Having some matters pending, we met.

The CHAIRMAN. Did you ever have any talk with Maj. Buttz during the present session of Congress in regard to the tariff bill?

Mr. HOLMAN. No; had no opportunity to talk with him. I had a talk direct with Elec Harris, at his house, and Maj. Buttz was present.

The CHAIRMAN. Did you ever say to Mr. Buttz, or in his presence, that you could receive or could make $15,000 if the tariff bill were beaten?

Mr. HOLMAN. No.

The CHAIRMAN. Or that you would give him $1,000 to find out how Senator Kyle would vote?

Mr. HOLMAN. No; never said such a thing. I can tell you how it happened. My office is on the corner of Seventh and G streets; I reside on Ninth street NW., and every morning, walking down Ninth street, I would stop at Maj. Harris'. The major was sick at the time. I would stop to see how he was getting along. I passed the door about the first week in April. I went in to see how the major was. Maj. Buttz was sitting there, and they were talking tariff whenever I saw them. They seemed to be wild on the tariff. Elec was opposed to Cleveland. He said, "I can make $25,000 or $30,000, if the tariff bill is defeated." Turning around he said, "Major, I will give you $1,000 if you find out how those Populists are going to vote." I laughed, thinking it was all idle talk. I said, "How do you think it is going?" He said, "The vote will be so close that I do not know how it is going, but the Populists have the balance of power." That is all I heard the major say.

Senator LINDSAY. Which major was that?

Mr. HOLMAN. Maj. Harris. He was a very nice man, and a Democrat. He is dead now. He died on the 11th of May, and was buried on the 13th. He was a lawyer.

The CHAIRMAN. What did Maj. Buttz say?

Mr. HOLMAN. I did not hear Maj. Buttz make any remark. I was going away. That was the first week in April. I was sick myself from the 25th of January to March; my hearing was defective. I never said anything of that kind to Maj. Buttz. I have better sense than that. He is very much mistaken if he said I did.

The CHAIRMAN. Did he see you Monday evening?

Mr. HOLMAN. Yes; saw me twice Monday evening. He asked if I remembered the conversation at Maj. Harris's. I told him what I knew—that Maj. Harris himself said that he could make so much money if the tariff bill were defeated; that he did not care how it would go if he could find out how the Populists would vote. I laughed and said: "How do you expect to do that?" He said: "They have the balance of power, and can cast their vote either way and carry it." That is all I know about it.

This conversation occurred the first week in April; I can not make it more specific than that; I paid no attention to it; I did not give it a second thought. I know it was the first week in April because I was sick with the grip and had just got out of bed. I dropped into see Maj. Harris about a matter he was assisting me in, and he told me he could not do anything because of the tariff bill.

The CHAIRMAN. Did you ever meet Buttz and have any conversation on the tariff question?

Mr. HOLMAN. Not except that time; that is all.

Senator ALLEN. Do you know whether Maj. Buttz had been away from the city before that or not?

Mr. HOLMAN. No.

Senator ALLEN. Do you remember his being absent one Sabbath?

Mr. HOLMAN. I know he went away soon after Maj. Harris's death, and I only saw him once. Major Harris died on the 11th of April.

Senator ALLEN. Do you remember the Sabbath, the 1st of April, Maj. Buttz being away?

Mr. HOLMAN. No; I can not tell you anything about it.

Senator ALLEN. You are satisfied this conversation occurred after the 2d of April, are you?

Mr. HOLMAN. I guess it must have been after that, the 3d or 4th of April; I can not fix the date.

Senator ALLEN. What was Maj. Harris's business?

Mr. HOLMAN. An attorney.

Senator ALLEN. You are an attorney?

Mr. HOLMAN. Yes.

Senator ALLEN. Is Maj. Buttz an attorney?

Mr. HOLMAN. Yes.

Senator ALLEN. Maj. Walker, an attorney?

Mr. HOLMAN. I do not know Maj. Walker.

Senator ALLEN. Your business was in connection with legislation in Congress and before the Departments.

Mr. HOLMAN. My business was a judgment in the Court of Claims, and I wanted to get the money appropriated.

Senator ALLEN. That is a part of your business as an attorney, and so with these other men—legislation from time to time?

Mr. HOLMAN. Yes; I would go to the court and get a judgment, and go to Congress to get an appropriation to pay it.

Senator ALLEN. You are not in the criminal practice?

Mr. BUTTZ. No. My business is before the Court of Claims and before Congress.

Senator ALLEN. Your business is to have bills introduced and their passage secured?

Mr. HOLMAN. Go before the committees and try to have them report them. The business of Maj. Buttz is to appear before committees, and it was the business of Maj. Harris.

Senator ALLEN. Did Maj. Harris say where he was going to get this money?

Mr. HOLMAN. No. If he got it somebody else would have to furnish it.

Senator ALLEN. Do you know whether there was any organized interests behind him?

Mr. HOLMAN. He said: "I have that thing all right, and I do not care how it goes. I want to know how the Populists will go. If it is defeated I can make"—so much money.

Senator ALLEN. Maj. Harris was a Democrat?

Mr. HOLMAN. Yes. I am on the fence.

Senator ALLEN. Do you know Judge Harris?

Mr. HOLMAN. Yes. He is no relative of Maj. Harris. He is an ex-member of Congress and ex-attorney-general of Mississippi. He is down in the supreme court getting the laws, collating them. He did practice; very seldom I hear of his name in the court. He was a justice of the peace.

Senator ALLEN. He has some legislation pending here?

Mr. HOLMAN. Some matters.

Senator ALLEN. You are all the same way?

Mr. HOLMAN. No; I have matters in the Court of Claims.

Senator ALLEN. The two—Harris and Maj. Buttz—are what are known throughout the country as lobbyists?

Mr. HOLMAN. I can not say that, because Maj. Buttz practiced around the Land Office and other places.

Senator ALLEN. You know that all these men who hang around Congress for special legislation are classified as lobbyists?

Mr. HOLMAN. If they have no attorneys in the case.

Senator ALLEN. I do not care whether they are attorneys or not; they are looked upon in that light.

Mr. HOLMAN. I do not know; I have been here for some time.

Senator ALLEN. You have no thought in your own mind that either one of these men would be likely to represent the sugar trust, or any other trust, to defeat legislation?

Mr. HOLMAN. I do not know about Maj. Buttz. If there were money in it he would take it.

Senator ALLEN. Would you?

Mr. HOLMAN. No; I practice as an attorney. If I could not make money legitimately I would go back on the farm.

Senator LINDSAY. I do not understand that you include Judge Harris in that class?

Mr. HOLMAN. No.

Senator ALLEN. I am speaking of Maj. Harris and Buttz.

Mr. HOLMAN. I do not know much about Buttz. I suppose I have not seen him more than once or twice in two or three years.

Senator ALLEN. You never made any such proposition as attributed to you by Mr. Buttz?

Mr. HOLMAN. No.

Senator ALLEN. Did you at that time represent any interest that was offering money to defeat the tariff bill?

Mr. HOLMAN. No.

Senator ALLEN. Do you know of any organized attempt to defeat the tariff bill?

Mr. HOLMAN. No.

Senator ALLEN. You looked upon Maj. Harris's remark as a Col. Sellers expression?

Mr. HOLMAN. Just about.

Adjourned until to-morrow, the 24th instant, at 10 o'clock a. m.

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53D CONGRESS, 2d Session. } SENATE. { REPORT No. 457.

IN THE SENATE OF THE UNITED STATES.

MAY 29, 1894.—Ordered to be printed.

Mr. GRAY, from the Special Committee to Investigate Attempts at Bribery, etc., under resolution of the Senate of May 17, 1894, submitted the following

REPORT:

The special committee, under and in pursuance of a resolution of the Senate of May 17, A. D. 1894, as follows—

Whereas it has been stated in the Sun, a newspaper published in New York, that bribes have been offered to certain Senators to induce them to vote against the pending tariff bill; and

Whereas it has also been stated in a signed article in The Press, a newspaper published in Philadelphia, that the sugar schedule has been made up as it now stands in the proposed amendment in consideration of large sums of money paid for campaign purposes of the Democratic party: Therefore,

Resolved, That a committee of five Senators be appointed to investigate these charges and to inquire further whether any contributions have been made by the sugar trust, or any person connected therewith, to any political party for campaign or election purposes or to secure or defeat legislation, and whether any Senator has been or is speculating in what are known as sugar stocks during the consideration of the tariff bill now before the Senate, and with power to send for persons and papers and to administer oaths.

Resolved further, That said committee be authorized to investigate and report upon any charge or charges which may be filed before it alleging that the action of any Senator has been corruptly or improperly influenced in the consideration of said bill, or that any attempt has been made to so influence legislation.

have attended to their duties so far as they have been able, because of the matters hereinafter stated, and ask leave to report in part as follows:

In pursuance of said resolution the said committee met in the Capitol on the 21st day of May, 1894, at 10 o'clock a. m., and, after the examination of certain matters embraced in the first paragraph of the said resolution, the committee proceeded to investigate further the matters submitted to them by the said resolution, and on the 24th day of May, A. D. 1894, the committee being duly assembled, one Elisha J. Edwards, who had been duly subpœnaed and summoned as a witness to appear before said committee, then and there appeared and submitted to be examined as a witness. The witness was duly sworn by the chairman of said committee.

He was shown a copy of The Press, a newspaper printed and published in the city of Philadelphia, of the date of May 14, 1894. He stated that he was a correspondent of that paper, and that a certain letter therein contained, signed Holland, was written and sent to said paper by him.

Whereupon the following proceedings were had:

The CHAIRMAN. You say:

"Upon one occasion, some time in February, when the Finance Committee or the Democratic members of it were in perhaps informal session, there came into the room, unexpectedly to all those present excepting two members, none other than the Secretary of the Treasury, Mr. Carlisle. His going there at that time has never been reported until this writing of it. He went secretly and came away secretly. His visit was supposed to be a confidential one. It was a confidence not imposed upon one member of that committee, and, therefore, it is possible now to make report of what Mr. Carlisle said. They looked upon him as speaking not so much for Mr. Carlisle as for the administration. He did not say that he came from the President, but when he had finished making his astonishing statement not one of those who heard him doubted that he had come from the President and was echoing the President's wishes and giving emphasis to them by an earnest and, for him, excited manner. What he said is quoted from remembrance, but it is substantially accurate as it was reported by one who heard it."

You say from remembrance. Is it yours?

Mr. EDWARDS. Partly mine and partly my informant's.

The CHAIRMAN. You mean to say that you heard Mr. Carlisle?

Mr. EDWARDS. No.

The CHAIRMAN. You say what he said is quoted from remembrance?

Mr. EDWARDS. My remembrance of what my informant said.

The CHAIRMAN. Who was your informant?

Mr. EDWARDS. That, I suppose, I shall have to decline to answer. I do it with the utmost respect to the committee and the Senate. The information was given to me under obligations of the highest confidence by the one who entailed that obligation, so that I do not feel at liberty to reveal his name.

After the above-detailed proceedings were had the witness requested time in which to consult counsel; which request was granted.

That on the afternoon of the same day, the 24th of May, 1894, the witness reappeared before the committee and asked a further indulgence, on the ground that he had been unable as yet to consult with his counsel.

Whereupon the witness was further examined, as will appear by the stenographer's report herewith submitted.

That on the 25th day of May, A. D. 1894, the witness, Edwards, reappeared before the committee, accompanied by his counsel, when the committee, through their chairman, propounded to the witness the following questions:

Now, Mr. Edwards, when you left the room on yesterday it was for the purpose of consulting your counsel and making up your mind, after having consulted him, whether you would answer the question that was propounded to you by the committee, which question was, "Who gave you the information upon which you made the statement that the Secretary of the Treasury, Mr. Carlisle, made a secret visit to the Democratic members of the Finance Committee some time in February, and while there made a certain appeal to them?" all of which was read to you as from your letter to the Phildelphia Press, published May 14, 1894. The question is now repeated.

Whereupon the witness, by his counsel, filed the following objections to answering said question:

First. That the question relates to a subject that was not referred to the committee, as the resolution of the Senate under which the committee is acting shows on its face. Second. That the resolution does not show on its face that it is intended for any purpose of legislation, or with regard to any matter within the jurisdiction of the Senate to inquire into. Third. That the question has no relevancy to the jurisdiction that the Senate has to punish its members for disorderly conduct, nor to the jurisdiction of the Senate to compel the attendance of absent members, nor to the jurisdiction of the Senate to determine as to the election or qualification of its own members, nor to the jurisdiction of the Senate to try cases of impeachment. Those are the only matters in which the Senate has power to compel a witness to testify, if the result of his refusal places him in contempt. Fourth. That the question solicits information that is utterly unnecessary. It is important for the committee, for the purpose of arriving at the truth of the alleged charge, to ascertain who informed Mr. Edwards. The question before the committee is, whether the charge is true or false, not who gave the information. As to whether it is true or

false, the information can be obtained from the Secretary of the Treasury and from the members of the Finance Committee. Suppose they admit it, it would not be necessary to get the name of the informant; if they deny it, it would be equally unnecessary. An answer to the question may have a tendency to bring about criminal proceedings against the witness. Fifth. Being a newspaper man, the witness is under honorable obligations not to disclose the source of his information, because if he violated that obligation of honor it would degrade him in the estimation not only of members of his own profession, but of the entire community.

The said several objections were overruled by the committee, and thereupon the following further proceedings were had:

Mr. EDWARDS. I shall have to follow the advice given by my counsel, and for the reasons set forth decline to answer.

The CHAIRMAN. We ask you again who was your informant that Mr. Carlisle, after having made that statement, turned and left the committee room, going away with that secrecy with which he came, but before he did so signified his willingness himself to prepare an amendment which he thought would be fair to the Government and yet be just to the sugar interests?

Mr. EDWARDS. As I stated yesterday.

The CHAIRMAN. An you decline to answer?

Mr. EDWARDS. For the same reasons.

The CHAIRMAN. Who is your informant that when the bill was before the subcommittee of the Finance Committee of the Senate some of the officers and managers of the sugar trust established themselves in Washington, being in New York a part of the time and in Washington at frequent intervals; that upon one occasion there were gathered in a room in a Washington hotel Mr. Havemeyer, Senator Brice, Senator Smith, of New Jersey, Brice's Terrill, and one other man, whose name it may be worth while to withhold for the present?

Mr. EDWARDS. The same informant.

The CHAIRMAN. And you decline to answer?

Mr. EDWARDS. For the same reasons.

The CHAIRMAN. Who is your informant that on the very day that Mr. Voorhees, the chairman of the Finance Committee denied, in the Senate, that any amendments were proposed to the Senate's bill as originally reported by the Finance Committee, the list of some 400 amendments, as prepared by Senator Jones, was in the hands of one of the members of the brokerage firm of Moore & Schley?

Mr. EDWARDS. The same informant.

The CHAIRMAN. And you decline to answer?

Mr. EDWARDS. Under the advice of counsel.

The CHAIRMAN. Who informed you that upon the Sunday before the bill, as first reported, was sent to the Senate there was a striking illustration of the absolute domination of the sugar trust over the Democratic members of the Finance Committee; that that was an all-day and half-the-night session and upon the Sabbath day; that in one room were the Democratic members of the Finance Committee and in one wing of the Capitol were the representatives of the sugar trust—Havemeyer and Terrill and Meyer and Ben Le Fevre and others; that these men sat, as the rulers of a political convention sit, in a place apart, and yet within instant communication of those who are to act; that there were runnings back and forth between the finance rooms and the quarters occupied by the trust all day; that everything had been arranged up to the point of satisfying the Louisiana Senators; that even the trust realized it was necessary for the Democratic party to placate these Louisiana men, or else there would surely be two votes against the bill; that it was a question of compromise, each side giving a little and taking a little; that at one time it seemed as if the whole negotiation must go to pieces; that never was there more desperate battle between conflicting interests in the committee rooms of the Capitol; that at last, late that evening, Senator Caffery drafted a schedule, Mr. Havemeyer looking over his shoulder and the other members of the sugar trust watching the Senator with eyes that fairly glittered, as one Senator who saw that spectacle afterwards expressed it; that it was a crucial moment; that when Senator Caffery had finished the sugar trust read his draft, reluctantly accepted it; it was taken to the room of the Finance Committee, and there accepted?

Mr. EDWARDS. The same informant.

The CHAIRMAN. Who was it?

Mr. EDWARDS. I decline to answer, under advice of counsel.

The testimony of the said witness Edwards is hereto attached, and marked exhibit 1.

In further performance of their duties the committee on the 24th day of May, A. D. 1894, proceeded to examine as a witness one John S.

Shriver, who had been duly subpœnaed and summoned as a witness, and he then appeared and submitted himself to be examined as a witness before the committee, and after being duly sworn by the chairman of the committee, testified that he was a correspondent of the Mail and Express, a newspaper printed and published in the city of New York.

A copy of said newspaper, dated May 19, 1894, was shown said witness, and he stated that he wrote the article or letter therein contained, making certain allegations which are properly the subject of inquiry by the committee.

Whereupon the following proceedings were had:

The CHAIRMAN. In it you say (referring to the article above-mentioned):

"Just here it may be well to give a little incident in the proceedings of the last few weeks in which the sugar trust has taken such a prominent part. The headquarters of the officials of the trust have been in a certain room in the Arlington Hotel.

"The night the celebrated demand was made on the Democratic Senators that the trust must be cared for or the Wilson bill would be killed, there happened to be in the next room to the sugar trust parlor a wire manufacturer from a place not far from New York. He had come to Washington to try to induce the Senate Finance Committee to change its schedule in which he was interested, and, worn out with his vain attempts to secure an audience with the Democratic 'triumvirate' in charge of the bill, he had retired to his room.

"He had hardly sought his bed before the loud talking in the sugar-trust parlor attracted his attention. He tried to sleep, but slumber was impossible. The voices next door grew louder and more violent as the night proceeded. He distinctly distinguished the voices of several Democratic Senators whom he knew, and also those of the sugar-trust magnates. It was nearly morning when the conference broke up and the wire-manufacturer was allowed at last to fall asleep. He did not, however, remain in bed long after the sun was up, because what he had heard seemed to him too good news.

"Bright and early he was down in the lobby of the hotel and telling his friends, among them a couple of Congressmen, that he knew the Wilson bill would never pass. He made no secret of how he got his information, and even told the names of the Senators who had been in the room next to him nearly all night. The wire-manufacturer did not linger about Washington, but returned to his home fully satisfied that there was no use for his remaining any longer to see the Democratic Finance Committee."

That is in your letter. Do you, of your own knowledge, know the facts therein stated?

Mr. SHRIVER. The story was told to me.

The CHAIRMAN. I first ask you, do you, of your own knowledge, know the facts therein stated?

Mr. SHRIVER. No.

The CHAIRMAN. What is your authority for that statement?

Mr. SHRIVER. A Congressman, member of the House.

The CHAIRMAN. Did he tell you this?

Mr. SHRIVER. Yes; that he was told by this wire manufacturer.

The CHAIRMAN. What is the Congressman's name?

Mr. SHRIVER. I am requested by the Congressman not to reveal it.

The CHAIRMAN. But we want you to reveal it.

Mr. SHRIVER. He has requested me not to do it. He gave me the story for publication, never thinking anything would come of it. When I spoke to him about having been spoken to by members of the committee in regard to it, he said he did not wish to be brought into the matter, and requested me not to give his name.

Senator LODGE. Do you know the name of the wire manufacturer?

Mr. SHRIVER. Yes.

The CHAIRMAN. What is his name?

Mr. SHRIVER. The Congressman does not desire me to give that either.

* * * * * * *

Senator DAVIS. This investigation is predicated on this article. You have no excuse not to disclose these names, legal excuse, except that it will criminate you. I do not understand you, to put your hesitation to answer upon the ground that you will be criminating yourself.

Mr. SHRIVER. Not at all. But it is this: A newspaper man considers when information is given to him in confidence he should not violate the confidence.

* * * * * * *

The CHAIRMAN. You say: "There are a number of Senators who will be glad if this investigation should fail, simply because then they could charge the correspondents with circulating scandalous reports and have another chance to denounce the press upon the floor of the Senate. But if the newspaper men are given a chance to tell all they know some interesting developments will be made."

Did you write that?

Mr. SHRIVER. Yes. You know when a newspaper man is told a thing he is generally supposed to hold the confidence of the man. I have been a newspaper correspondent in Washington for ten years. I think I hold the confidence of a good many members, because I never violated their confidence. I think there are things, if I should give my authority, at times it would lessen me in their opinion and prevent me carrying on my business. And this is a case where I have requested the Congressman to use his name, and he declines to allow me to do it.

After the proceedings above detailed, the witness (Shriver) requested time in which to consult counsel. That on the 25th day of May, A. D. 1894, the witness reappeared before the committee, and announced that he had consulted counsel, and the following proceedings were had:

The CHAIRMAN. Then you definitely decline this morning to tell the committee who it was told you the story that was published by you in the Mail and Express, in its issue of Saturday last, and to which your attention was directed on yesterday?

Mr. SHRIVER. I do at present, because I have been asked not to do so.

The CHAIRMAN. Then you do definitely decline?

Mr. SHRIVER. Yes; I decline because I have not seen my counsel within two hours, and he advised me to decline until I had seen him.

The CHAIRMAN. Do you decline, also, to give the name of the person who was alluded to in that letter as the wire manufacturer?

Mr. SHRIVER. Yes; I do.

The testimony of the witness Shriver by question and answer is hereto attached, and marked exhibit No. 2.

The subpœnas by which said witnesses were commanded to appear and testify before the committee at the time and place aforesaid, together with the certificate of service thereof, are hereto attached, and marked exhibits 3 and 4, respectively.

In the opinion of the committee each of the questions put to each of said witnesses was a proper question, and pertinent to the question under inquiry before the committee, and was necessary to make the examination ordered by said resolution of the Senate, and that each of said witnesses is in contempt of the Senate and merits to be dealt with for his misconduct; and that each of said witnesses, by his various refusals to answer the questions as herein set forth, has violated the provisions of that certain act of Congress in such cases made and provided, being chapter 7 of the Revised Statutes of the United States, which chapter is as follows:

SEC. 102, Rev. Stat. Every person who, having been summoned as a witness by the authority of either House of Congress to give testimony or to produce papers upon any matter under inquiry before either House or any committee of either House of Congress, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the question under inquiry, shall be deemed guilty of a misdemeanor, punishable by a fine of not more than one thousand dollars nor less than one hundred dollars, and imprisonment in a common jail for not less than one month nor more than twelve months.

SEC. 103. No witness is privileged to refuse to testify to any fact or to produce any paper respecting which he shall be examined by either House of Congress, or by any committee of either House, upon the ground that his testimony to such fact or his production of such paper may tend to disgrace him or otherwise render him infamous.

SEC. 104. Whenever a witness summoned, as mentioned in section one hundred and two, fails to testify, and the facts are reported to either House, the President of the Senate or the Speaker of the House, as the case may be, shall certify the fact under the seal of the Senate or House to the district attorney for the District of Columbia, whose duty it shall be to bring the matter before the grand jury for their action.

Wherefore, the committee report and request that the President of the Senate certify as to each witness his aforesaid failure to testify and his aforesaid refusals to answer, and all the facts herein, under the seal of the Senate, to the U. S. district attorney for the District of Columbia, to the end that each of said witnesses may be proceeded against in manner and form provided by law.

GEO. GRAY.
WILLIAM LINDSAY.
C. K. DAVIS.
H. C. LODGE.
WILLIAM V. ALLEN.

WASHINGTON, D. C., *May 24, 1894.*

The committee met pursuant to adjournment.

Present: The chairman (Senator Gray), Senators Lindsay, Davis, Lodge, and Allen.

SWORN STATEMENT OF ELISHA J. EDWARDS.

The CHAIRMAN. What is your age?

Mr. EDWARDS. I am 46.

The CHAIRMAN. Where is your residence?

Mr. EDWARDS. My legal residence is Greenwich, Conn. I live in the suburbs of New York.

The CHAIRMAN. What is your occupation?

Mr. EDWARDS. News-writer; correspondent.

The CHAIRMAN. Of what paper?

Mr. EDWARDS. Mainly for the Philadelphia Press—entirely so, practically.

The CHAIRMAN. Are you a graduate of Yale?

Mr. EDWARDS. Yes; in 1870, of the Yale Law School of that year.

The CHAIRMAN. Are you the writer of the article or letter in the Philadelphia Press of May 14, 1894, signed "Holland?"

Mr. EDWARDS. Yes.

The CHAIRMAN. There are some statements of fact in that letter about which we would like your testimony. You say in that article that—

> In the summer of 1892, after Mr. Cleveland's nomination, Mr. Benedict, Mr. Havemeyer, Mr. Cleveland, and one or two others had a conversation, either in Greenwich or upon Mr. Benedict's yacht, in which the sugar interests were earnestly discussed, and those interested as affected by the situation in the Hawaiian Islands particularly analyzed. There is no doubt now that at this meeting there were planted the seeds of the policy developed by Mr. Cleveland after he became President toward the Hawaiian Islands. At that time and subsequently there came about understandings between Mr. Cleveland and these friends of his which, if they could ever be fully exposed, would explain completely that miserable and strangely unreasonable Hawaiian incident.

Will you state what you know about that?

Mr. EDWARDS. I ought to state that after having written that article I became satisfied that my mind was a little confused as to the dates, and that the meeting which I described there occurred in the summer of 1893 instead of the summer of 1892, and that the conversation which I heard indicated in an explanatory way what the relations of the administration and the sugar trust were to the Hawiian incident. I am satisfied that I have the date wrong; it was not 1892, but 1893.

The CHAIRMAN. It was in 1893, then?

Mr. EDWARDS. Yes.

The CHAIRMAN. It was after Mr. Cleveland's election, and not after his nomination?

Mr. EDWARDS After his election. It explains what had gone before instead of what was to come.

The CHAIRMAN. What do you know about the matter there stated as taking place in the summer of 1893 instead of 1892?

Mr. EDWARDS. May I not be permitted to refer to a memorandum?

The CHAIRMAN. Yes.

Mr. EDWARDS. I have written out carefully, with a view of helping the committee, some notes, in order that I may be accurate in my statements.

The CHAIRMAN. We do not want you to read from the memorandum; you may refresh your recollection from it and then state. Were those memoranda made at the time or since?

Mr. EDWARDS. Since I have been summoned before the committee, and mainly to refresh my memory so that I may be accurate. I think in September of last year—I can only identify the time by the fact that it was soon after my return from a holiday, which must have been about the 1st of September, 1893—about that time, that is, as nearly as I can recollect it, I met a gentleman who spoke to me about an article that I had written concerning an operation upon Mr. Cleveland's jaw for cancer or malignant growth, which operation had taken place some weeks before upon Mr. Benedict's yacht. That article excited a good deal of interest throughout the country. This gentleman said to me, "As important as that news is, there is something much more important to this country besides the fatal disease, and which is now brewing." I asked him if it was something which he could give me. He said not then, because he was under confidence not to do it. Later, when he had the information that an attempt had been made to restore the Queen of Hawaii and that it had failed, this gentleman stated that that was the news which he had and could not give. My recollection is that he either told me it was on Mr. Benedict's yacht, at his place, or at some resort, a pleasure excursion of some kind. Mr. Havemeyer, Mr. Benedict, Mr. Cleveland, and some others were present.

Senator ALLEN. Was that E. C. Benedict?

Mr. EDWARDS. E. C. Benedict. There had been a general conversation about the Hawaiian Islands, sugar interests, and I think he said Mr. Havemeyer, at all events it was said by some one, that there would be a sensation in the country before Congress met.

The CHAIRMAN. Who said it?

Mr. EDWARDS. Either Mr. Havemeyer, Mr. Benedict, or some one in the party; because it would be then found that there was peace in Hawaii and the Queen would be restored. This gentleman was a Col. H. W. R. Hoyt, of Greenwich. He had been speaker of the Connecticut legislature and a warm personal friend of mine for twenty years. I was particularly impressed by it, because Col. Hoyt had given me information in the campaign of 1892, which I found in part correct, and he had been counsel for Mr. Havemeyer, who was also a resident of Greenwich, but he was counsel not connected with the sugar interests but real estate.

Senator ALLEN. Which Havemeyer?

Mr. EDWARDS. Henry O. Havemeyer, the president of the sugar trust so that I was particularly impressed by that information.

The CHAIRMAN. What was that information, in addition to what you said?

Mr. EDWARDS. The information was that the story which he could have told me in September was that there had been an admission, confession, or statement of these people that before the regular session of Congress it would be found that the Queen had been restored. Col.

Hoyt said he could not tell it then. After the news came the colonel met me and said that was the news which he would liked to have told me.

The CHAIRMAN. From whom did he say he got this information?

Mr. EDWARDS. I do not think he told me from whom he got it.

The CHAIRMAN. You say it occurred where?

Mr. EDWARDS. Either upon Mr. Benedict's yacht, Mr. Benedict's place, or some recreative gathering which happened about that time.

The CHAIRMAN. Did Col. Hoyt tell you in that way; that it occurred on Mr. Benedict's yacht, at his house, or some recreative gathering?

Mr. EDWARDS. No; I put it in my mind that way.

The CHAIRMAN. What connection had that with the sugar business, what Col. Hoyt said?

Mr. EDWARDS. What did that have to do with the sugar business?

The CHAIRMAN. Yes; about sugar interests?

Mr. EDWARDS. No connection, other than the suggestion that the sugar people were as influential as they had been from the time of the election as before.

The CHAIRMAN. He made that suggestion?

Mr. EDWARDS. He made that suggestion; not in those precise words; but that was the idea.

The CHAIRMAN. Did he tell you how he obtained this information?

Mr. EDWARDS. No; my impression is that he heard it from some of those people. He did not tell me how he heard it.

Senator ALLEN. That he heard it of one of this party of which you speak?

Mr. EDWARDS. My impression is that he told me.

The CHAIRMAN. That it was either Mr. Havemeyer or Mr. Benedict?

Mr. EDWARDS. Mr. Havemeyer, Mr. Benedict, or some of the party.

The CHAIRMAN. Who were they?

Mr. EDWARDS. Mr. Cleveland was there.

The CHAIRMAN. You have stated that.

Mr. EDWARDS. I do not remember his mentioning any others.

The CHAIRMAN. Are you sure Mr. Hoyt said that Mr. Cleveland was there?

Mr. EDWARDS. No; I am not absolutely sure; my impression is that he did say so.

The CHAIRMAN. Was that all that Col. Hoyt told you at the time?

Mr. EDWARDS. Except to refer to the conversation that we had the year previous.

Senator ALLEN. I do not wish to interrupt you at all in your examination, but I want to facilitate it all I can. It strikes me that right there it might be important to ascertain exactly what Col. Hoyt imformed this witness was agreed upon in this meeting upon the yacht, if he did inform him of anything, in reference to the sugar interests of Hawaii, and how the parties there assembled arrived at the conclusion that the Queen would be restored.

The CHAIRMAN. You say that "at that time, and subsequently, there came about understandings between Mr. Cleveland and these friends of his which, if they could be ever fully exposed, would explain completely that miserable and strangely unreasonable Hawaiian incident." What were those understandings to which you refer?

Mr. EDWARDS. Those would be very largely inferential, and it would be necessary for me to go back and explain.

The CHAIRMAN. You say at that time, and subsequently, there came about these understandings?

Mr. EDWARDS. I explained to you that I made a mistake in the date.

The CHAIRMAN. I take your date, the summer of 1893. You say:

At that time, and subsequently, there came about understandings between Mr. Cleveland and these friends of his which, if they could ever be fully exposed, would explain completely that miserable and strangely unreasonable Hawaiian incident.

What were those understandings?

Mr. EDWARDS. Those understandings were conjectural.

The CHAIRMAN. On your part?

Mr. EDWARDS. On my part, and on the part of many persons, that that Hawaiian policy of the President was due very largely to the friendly interest of the sugar people (Mr. Spreckels particularly) in having the Queen restored and overthrowing the Provisional Government.

The CHAIRMAN. Did not Col. Hoyt tell you definitively what those understandings were?

Mr. EDWARDS. No; he did not.

The CHAIRMAN. Then these understandings to which you have referred in the article quoted are conjectures?

Mr. EDWARDS. They are my conjectures, many of them.

The CHAIRMAN. You have no personal knowledge of them?

Mr. EDWARDS. I have no personal knowledge; no.

The CHAIRMAN. What are the conjectures founded upon—the fact that they were upon this yacht and talking about Hawaii?

Mr. EDWARDS. Partly upon that.

The CHAIRMAN. Upon what else?

Mr. EDWARDS. And partly upon the fact that in the winter of 1893, before that, Mr. Dickinson, I understood, came to New York and said that a commission was to be appointed to go to Hawaii and arrange for certain matters which were then in contemplation.

Senator LINDSAY. Do you mean the winter of 1893, or 1892?

Mr. EDWARDS. Yes; I should say in January, 1893.

The CHAIRMAN. Don Dickinson said to whom?

Mr. EDWARDS. I do not remember.

The CHAIRMAN. Who told you that he said so?

Mr. EDWARDS. I can not tell you the person. I gathered that in my newspaper work in New York.

The CHAIRMAN. Would the fact that Mr. Havemeyer, Mr. Benedict, and Mr. Cleveland were together at Havemeyer's house, or on his yacht, or at some other place, justify your conjecture that they framed the matter which is here stated?

Mr. EDWARDS. Yes.

The CHAIRMAN. You say:

It is known that at Lakewood, before Mr. Cleveland became President, and after the successful revolution in Hawaii had been made known to President Harrison's administration, a meeting took place at which the determination was reached to overthrow the revolutionists and restore the Queen.

Mr. EDWARDS. That was information obtained by me at the time in the general course of investigation of that matter. It was generally understood as a matter of common talk that there was such a meeting—that there was an agreement at that time.

The CHAIRMAN. A meeting of whom?

Mr. EDWARDS. Mr. Cleveland and gentlemen who were close to him. I understood Mr. Lamont was there.

The CHAIRMAN. Who else?

Mr. EDWARDS. Don Dickinson.

The CHAIRMAN. Who else?

Mr. EDWARDS. I do not recall all who were there. I think Mr. Straus. My impression is Mr. Straus was there. These are impressions from recollection only.

The CHAIRMAN. Impressions from what?

Mr. EDWARDS. Recollections of my own work at that time.

The CHAIRMAN. What is your work?

Mr. EDWARDS. The work of a newspaper correspondent.

The CHAIRMAN. From whom did you get this information about Lakewood?

Mr. EDWARDS. I could not identify the particular party. It would be impossible for me to tell you.

The CHAIRMAN. Who told you about it?

Mr. EDWARDS. It would be impossible for me to tell you. I can not identify it.

The CHAIRMAN. Did anybody tell you, or were they inferences from other facts that were given you?

Mr. EDWARDS. My impression is that I was told by a number of people that there was such a meeting. My recollection is that there were one or two newspaper reports of conferences. I myself did not go to them.

The CHAIRMAN. Do you recollect what they were?

Mr. EDWARDS. I think there was a report in the New York World——

The CHAIRMAN. At that time?

Mr. EDWARDS. About that time.

The CHAIRMAN. Stating that fact—that there were understandings had at Lakewood in that regard?

Mr. EDWARDS. Not in that way, but substantially. The conversation was this Hawaiian matter and the Foster treaty then before the Senate, as I understand it.

The CHAIRMAN. Then the statement is not based upon your own personal knowledge, but founded on statements which you say were made or printed about that time, the authors of which you do not now recollect?

Mr. EDWARDS. That is about the truth of the matter.

Senator LINDSAY. You say that conversation was in relation to the Foster treaty then pending before the Senate?

Mr. EDWARDS. That is my recollection. I think the Foster treaty was pending at that time.

Senator LINDSAY. What relation had that to the sugar trust? That is the examination we are making, whether Mr. Cleveland after he was elected, and that winter before he was inaugurated, talked about the pending treaty or not (it would be very strange if he did not) is not so much the question; but what relation had it to the sugar trust.

Mr. EDWARDS. If you will let me tell in my own way how I came to these conjectures, I will try to do so.

The CHAIRMAN. You can state the sources of your information.

Mr. EDWARDS. I can not state all the sources of my information; it is impossible; it has been so long ago. But it is matter of common knowledge that Mr. Spreckels, for instance——

The CHAIRMAN. We do not wish you to repeat what is here in this newspaper; but any explanation you can give of your statement we would be glad to hear.

Senator DAVIS. I think as a preliminary way he can state how he came by it.

The CHAIRMAN. Exactly. We do not want him to re-state what he

has in the article, but how he came to make the statement, or any knowledge connected with it, we would like to have.

Mr. EDWARDS. The first hint that the sugar people were interested came from a chat with Mr. Dickinson—this report that Mr. Dickinson was interested or was to be appointed to the Hawaiian Islands.

The CHAIRMAN. A chat had with you, or report made to you?

Mr. EDWARDS. No, not a report made to me. Then the very evident interest of Mr. Spreckels, the immense interest of Mr. Spreckels, and of his close associate, Mr. Charles Nordhoff. Then I recollect that the common impression in Wall street was that the sugar people were intensely excited, intensely interested over the developments in Hawaii tending to the establishment of the Provisional Government; and I remember that I received the impression from going about as I did that the sugar people would do everything they could to prevent that.

Senator LINDSAY. To prevent what?

Mr. EDWARDS. To prevent the existence of the Provisional Government being continued, or to prevent the success of that revolutionary movement. I do not speak with a lawyer's accuracy; but the sugar-trust people were opposed to the Provisional Government.

The CHAIRMAN. Who told you that?

Mr. EDWARDS. That was common talk in Wall street. I can not identify the particular individual.

The CHAIRMAN. Can you remember any Wall street man or person who told you that?

Mr. EDWARDS. No, no particular individual; it was in the air—common report. I also recollect it was reported—and I was not in Washington—that a certain gentleman (I think Mr. Villard) was reported to have gone directly from Lakewood to Washington, and suggested that it would be the pleasure of the incoming administration that the Foster treaty be not acted upon.

The CHAIRMAN. Where did you get that information?

Mr. EDWARDS. I can not identify the place where I got it; it was general information that came from various sources.

Mr. CHAIRMAN. When did that information come to you?

Mr. EDWARDS. About that time.

The CHAIRMAN. What time?

Mr. EDWARDS. Say two weeks before the incoming of Mr. Cleveland's administration.

The CHAIRMAN. Before the inauguration?

Mr. EDWARDS. Yes. There was an article in the New York World in which the visit of Villard to Washington was described. The conjectures that came to my mind later as to the interest that these people had in that matter——

The CHAIRMAN. Is that the explanation which you wish to make?

Mr. EDWARDS. That is the best explanation that I can make now.

The CHAIRMAN. You say:

> Mr. Cleveland may or may not have been knowingly a party to the influences of the sugar trust then brought to bear upon him. Whether he did it or not, he responded to them, and he went to Washington determined to appoint Mr. Blount his special commissioner.

Mr. EDWARDS. That was also a part of the general information which I received at that time. And I have heard it stated since then that Mr. Cleveland did, when he went to Washington, in fact, appoint Mr. Blount; that is, two or three days after he became President, appointed Mr. Blount commissioner to Hawaii.

The CHAIRMAN. When did that come to your mind, before or after?

Mr. EDWARDS. After.

The CHAIRMAN. How long?

Mr. EDWARDS. I first thought of that, perhaps, after I had this chat with Col. Hoyt.

The CHAIRMAN. That was in September, 1893?

Mr. EDWARDS. September, six months later. I, perhaps, first thought of it in that way; I am not sure.

The CHAIRMAN. You thought that Mr. Blount's appointment had been determined upon at this meeting that Mr. Hoyt told you about?

Mr. EDWARDS. Oh, no; I misunderstood your question. I think the conviction came to me that Mr. Cleveland decided to appoint Mr. Blount before he went to Washington.

The CHAIRMAN. Through whom did it come?

Mr. EDWARDS. I can not identify.

The CHAIRMAN. Did it come from a person who assumed to have knowledge, or was it a conjecture on your part?

Mr. EDWARDS. I do not think it was entirely a conjecture on my part; I think I must have heard it at that time—that that was the purpose Mr. Cleveland had in mind when he went to Washington.

The CHAIRMAN. Did you hear that definitively from some one who stated he knew it as a fact, or stated it from some one who made conjectures as to that matter, or thought it probable?

Mr. EDWARDS. I should be unable to answer that question, although my impression is that it was conjecture on the part of these persons.

Senator DAVIS. What caused you to conjecture Mr. Blount?

The CHAIRMAN. Mr. Edwards says it was a conjecture on the part of those who informed him.

Mr. EDWARDS. On the part of those who informed me.

The CHAIRMAN. And that is your explanation of that paragraph in your letter?

Mr. EDWARDS. Yes.

THE CHAIRMAN. You state——

It was he——

meaning Mr. Cleveland——

who announced to Gresham the determination to appoint Blount, he who instructed his Secretary of State to draft the letter, and Gresham has patiently, uncomplainingly, but with a sense of humiliation, borne such reproaches as have been heaped upon him as the supposed instigator of this policy. It was instigated by the sugar people, accepted by Mr. Cleveland at Lakewood, and it was this acceptance which caused him to cleave with such desperate obstinacy to the policy.

Mr. EDWARDS. That was in the nature of an editorial paragraph, based upon conjectures which I have received from others; and it is also my impression that I heard it definitely stated that the policy was that of the sugar people.

The CHAIRMAN. Can you state who told you so?

Mr. EDWARDS. No; I can not.

The CHAIRMAN. Do you think by taking thought you can recollect?

Mr. EDWARDS. I have thought that matter over very carefully after I was summoned. I have talked with so many people that it is impossible for me to identify under oath.

The CHAIRMAN. By the way, have you talked with Col. Hoyt since you were summoned?

Mr. EDWARDS. No.

The CHAIRMAN. Since you wrote the article?

Mr. EDWARDS. No. Unfortunately Col. Hoyt died about a month

ago. I would not have referred to Col. Hoyt if I had not proof from a living witness.

Senator LINDSAY. Upon what do you base your statement that the Secretary of State was not favorable to the policy of the administration and yielded uncomplainingly to a course that he disapproved of?

Mr. EDWARDS. I do not think I did state that the Secretary of State was not favorable to it. I think the impression that I meant to give out was that the policy was dictated by the President, as he had a right to do; that it was not initiated by the Secretary of State, but by the President. I heard that at the time. I heard it in New York; but from whom I do not know.

The CHAIRMAN. You say further in this article:

> We come now to the relations of the sugar trust to the national campaign of 1892. It made subscriptions to both parties, and the Republican national committee was rejoiced when, upon a day when money was needed, it received a subscription from men identified with the trust, really from the trust itself, of $40,000.

You make that upon personal knowledge?

Mr. EDWARDS. My recollection of that is: I was at the Republican headquarters a great deal during the campaign, saw a good many people, and it is impossible for me to identify the people who told me particular things. But I do remember this, somebody told me that Mr. James J. Belden, now a member of Congress from Syracuse, N. Y., had with him at the Republican headquarters a gentleman connected with the sugar trust. At that time the trust had given to the Republicans $25,000, I think, as a first subscription, if I remember aright, and they wanted more, and subsequently there was $15,000 more raised, which made $40,000. This gentleman of the sugar trust—I am not sure who it was; my impression is that it was Mr. Searles, as he is the only Republican in the trust—said in the presence of Mr. Belden, "We have given $250,000 or $300,000 to the Democratic campaign."

The CHAIRMAN. Was this said by Mr. Belden in your presence?

Mr. EDWARDS. No.

Senator LINDSAY. Do you say that that information came from Mr. Searles?

Mr. EDWARDS. I beg pardon. My impression was that it must have come from him, because he was the only prominent Republican.

Senator DAVIS. I understood you to say that this was said in the presence of Mr. Belden by Mr. Searles.

Mr. EDWARDS. I do not say that it was Mr. Searles; it was a conjecture of mine, because he was a prominent Republican. I do not remember any other Republican in the trust. That is all the information that I have ever received directly as to the contribution of the sugar people. And when I say sugar trust, I beg it to be understood that I do not mean sugar trust as a corporation; I use the word colloquially, meaning persons connected with it. That is what I mean.

The CHAIRMAN. This information came to you from Mr. Belden?

Mr. EDWARDS. Not from Mr. Belden. I was particular to say that it was hearsay information.

The CHAIRMAN. Some one told you that Mr. Belden said so?

Mr. EDWARDS. Yes. My impression is it was some member of the national committee.

The CHAIRMAN. You can not think who it was?

Mr. EDWARDS. No. I tried to turn that over in my mind and remember, but I could not. But I do remember that a member of the sugar trust was there with Mr. Belden, and it was said that the subscription

was increased from $25,000 to $40,000. He said it would be better, as they had given from $250,000 to $300,000 to the Democratic committee.

The CHAIRMAN. Who told you that; you do not know?

Mr. EDWARDS. No. My impression is that it was some member of the national committee.

The CHAIRMAN. Now, you say in regard to the Democratic campaign:

In the stress which the need for money had occasioned, these managers—

that is, the Democrats managing the campaign—

were willing to pledge almost anything for cash. Some of the pledges were inferential, as in the Van Alen case; some of them explicit.

What were the explicit ones?

Mr. EDWARDS. The Victoria Hotel conference.

The CHAIRMAN. What was that? In the first place tell us what the Victoria Hotel conference was, and then the source of your information.

Mr. EDWARDS. My source of information regarding that conference was open to all newspaper men who were investigating. If you mean by that precise individuals, I can not now give them.

The CHAIRMAN. I do mean precise individuals, if you can give them.

Mr. EDWARDS. I can not give you precise individuals, but I can give you corroborative proof of what was done, which proof has come out recently. The Victoria Hotel conference, as it was colloquially named, was a meeting between Richard Croker, Lieutenant-Governor Sheehan, of New York, William C. Whitney—I am not certain whether Senator Brice was there or not; my impression is that he was, but I am not sure of that. Senator Murphy was there, I am sure. I am not sure whether Brice was there, but Murphy was—and Mr. Cleveland. That was a dinner at the Victoria Hotel.

The CHAIRMAN. Which was spoken of in the newspapers at the time?

Mr. EDWARDS. Yes.

Senator ALLEN. When was that?

Mr. EDWARDS. That must have been in October, 1892. It was not very long (perhaps four weeks) before election. It was the time Mr. Cleveland made his first trip.

The CHAIRMAN. Were any of the sugar people there?

Mr. EDWARDS. No, not that I know. I think not.

The CHAIRMAN. I have no objection to going into that. Have you any other information in regard to that conference except what was in the newspapers—at the time?

Mr. EDWARDS. Only what was corroborated recently.

The CHAIRMAN. That there was such a meeting?

Mr. EDWARDS. And what was done—what I saw with my own eyes.

The CHAIRMAN. Was there any meeting at that time with what they call the sugar people?

Mr. EDWARDS. No; I do not speak of that in the article, if you will glance at it.

The CHAIRMAN. Will the committee determine how far we are to go into the byways of political gossip?

Senator LODGE. I do not see any use in going over the Victoria conference. It had nothing to do with the sugar trust, as I understand.

Mr. EDWARDS. Nothing.

Senator LODGE. The chairman asked about explicit pledges, and that is what Mr. Edwards said.

The CHAIRMAN. Were there any explicit pledges made to the sugar trust at that conference?

Mr. EDWARDS. No, not one.

Senator ALLEN. What relation had that to it?

Mr. EDWARDS. Nothing, except possibly it might have a bearing. I can tell you what I think about that, it is purely an inference, a conjecture. It simply has relation to the contribution of the sugar trust.

Senator ALLEN. It strikes me that that might be important.

Mr. EDWARDS. Yes, a possible relation to the sugar trust.

The CHAIRMAN. Something that you heard?

Mr. EDWARDS. Something I heard; yes.

The CHAIRMAN. You may state.

Mr. EDWARDS. I understood, or heard—that is a matter of common report—that very much of the sugar-trust contribution went into the channels controlled by Mr. Croker, chairman of the State committee. A part of the programme of the Victoria conference was the suppression of what was called the antisnapper faction, which was distasteful; and after that was done the Tammany people had a very large contribution from these people.

The CHAIRMAN. We do not want that.

Mr. EDWARDS. No, you do not want that. That is the only possible relation that the Victoria conference had.

The CHAIRMAN. You say you do not know of any relation of that Victoria conference to the sugar trust?

Mr. EDWARDS. No.

The CHAIRMAN. You say:

Whether Mr. Whitney, Mr. Gorman, or Mr. Brice met the representatives of the sugar trust, or whether it was some other agent, must not now be said.

What do you mean by that, or why must it not now be said?

Mr. EDWARDS. Because I was not at all sure in my own mind. I did not get definite information as to the direction the contribution took.

The CHAIRMAN. That is what you meant by saying "must not now be said?"

Mr. EDWARDS. Should not now be said. I should have been more accurate had I said that.

The CHAIRMAN. Because you did not know?

Mr. EDWARDS. Did not know.

The CHAIRMAN. You go on:

Brice was associated with them through friendly alliances and particularly through his friend, H. L. Terrell, of Cleveland, "Brice's Terrell," as they called him; and Mr. Gorman was brought into close association with them, and by another agency, which it may be well at present not to reveal.

What agency was that?

Mr. EDWARDS. Would you like to know what agency that was?

The CHAIRMAN. Yes.

Mr. EDWARDS. I would like to be frank and say to the committee that I refer to Stephen B. Elkins.

The CHAIRMAN. That is the agency you refer to there?

Mr. EDWARDS. Yes; by common report.

The CHAIRMAN. Do you know of your own knowledge that Mr. Gorman was brought into close association with the sugar people through Mr. Elkins?

Mr. EDWARDS. Not if you put that question to me in a legal sense.

The CHAIRMAN. In what sense, then?

Mr. EDWARDS. It is common understanding that Mr. Elkins and Mr. Gorman being relatives by marriage, having had very great business

interests in common, their relations had been very close. That is a matter of common report. In that sense I know it; not from individual knowledge.

The CHAIRMAN. I suppose neither of them can help that.

Mr. EDWARDS. No.

The CHAIRMAN. Is it from that fact that you inferred that Mr. Gorman was brought into relations with the sugar trust and Mr. Elkins had relations with the sugar trust?

Mr. EDWARDS. From the fact that it is a matter of common report that Mr. Elkins is interested in the sugar trust.

The CHAIRMAN. Is your statement based upon any other information than common report?

Mr. EDWARDS. No; not from personal knowledge.

The CHAIRMAN. So far as your information goes, is it founded upon the common report of the relationship of these two gentlemen?

Mr. EDWARDS. My personal information is that it is founded upon common report.

The CHAIRMAN. You say that "Brice was associated with them through friendly alliances, and particularly through his friend H. L. Terrell?"

Mr. EDWARDS. That is capable of the same explanation—common report and common information.

The CHAIRMAN. Do you know Mr. Terrell?

Mr. EDWARDS. I do not know him, only have heard of him very often. I know he has an office in New York adjoining Mr. Brice's, and I have often heard him spoken of as Brice's Terrell.

The CHAIRMAN. And upon that you make this statement?

Mr. EDWARDS. Common belief.

The CHAIRMAN. When you say common belief, you mean the opinions of people expressed generally?

Mr. EDWARDS. The same as would lead me to believe that Russell Sage is an owner of the Broadway elevated.

The CHAIRMAN. You say, "At all events the appeal was made to these men for money."

Mr. EDWARDS. That I heard at the time.

The CHAIRMAN. From whom did you hear it?

Mr. EDWARDS. I do not recollect now. Oh, yes; if you will let me refresh my recollection.

The CHAIRMAN. Certainly.

Mr. EDWARDS. (After having referred to notes.) In the early fall of 1892 this same Col. Hoyt of whom I have been speaking told me—and I will give the committee the chance, because I know there is some sworn testimony to corroborate it; Col. Hoyt is dead—told me that there was a very large contribution of money coming into the State of Connecticut, and that it was coming from the sugar people, some of it. I recollect I was impressed, because I heard in the anti-snapper campaign in the spring, and in which I was interested myself because my friends were interested, that there had been a contribution of $10,000 of some gentlemen connected with the sugar-refiners; and the reason was given then. I said, "Are the people in politics?" The answer was, "Not particularly, but because they are intensely interested in Mr. Cleveland and are great friends of his, personally, admirers, and are desirous of his being nominated." That was the first intimation that I had that the sugar people were interested in politics. In September Col. Hoyt said there had been sent into Connecticut $100,000; that Mr. Havemeyer had given one-half and E. C.

Benedict and associates had raised the other half. Then I heard of their earlier contribution to the antisnapper people.

The CHAIRMAN. What we want to know in this matter—somebody must put money into a campaign fund—is not with regard to the Connecticut campaign fund, but the relation of the sugar trust to the administration. You say:

> It will be shown later on that there would be no legislation at the hands of the Democracy which should be antagonistic to the interest of the sugar people.

Upon what do you make that statement?

Mr. EDWARDS. I must state first how the contribution was made.

The CHAIRMAN. I thought you had mentioned that.

Mr. EDWARDS. I mentioned Col. Hoyt. In justice to him, as he is now dead, in corroboration of his statement I refer to one by ex-Governor Waller, of Connecticut.

The CHAIRMAN. A statement made to you by Governor Waller?

Mr. EDWARDS. No; before an investigating committee of the Connecticut legislature, and, my impression is, under oath.

Senator LINDSAY. Governor Tom Waller?

Mr. EDWARDS. Waller. "It is an open secret that the Connecticut central State Democratic committee handled over $100,000 at the last election, and what became of it? Two, three or four rich men contributed most of the money to the Democratic committee; of that $100,000 or more, not one-third went for the honest purpose of political meetings, etc." There is a corroboration of what Col. Hoyt told me, as I understood, made under oath by Governor Waller. At that time the colonel told me that the sugar people were contributing very largely because they were not satisfied that the Democracy was going to save the matter, and also because of one thing which I did not put in there, but I will mention.

The CHAIRMAN. Mention it.

Mr. EDWARDS. They were very much afraid of antitrust legislation being brought up. They desired that they should not be annoyed about it in that way. I think that was the first thing the colonel mentioned. And then he said also, "They do not propose to be bothered about the tariff." I think he said that there was an understanding that there would be some contributions, and they would be protected. There is no doubt of it.

The CHAIRMAN. Did Col. Hoyt tell you the source of his information?

Mr. EDWARDS. No; he did not.

The CHAIRMAN. Did he say anything to lead you to believe that he had direct information that there was such an understanding?

Mr. EDWARDS. My impression was that Col. Hoyt ought to know something about it, because he was a Republican himself, and he had been counsel for a long time for Mr. Havemeyer. I know that point went through my mind at the time.

The CHAIRMAN. Do you suppose that Col. Hoyt, as counsel for Mr. Havemeyer, would disclose to you information that he got from him?

Mr. EDWARDS. No.

The CHAIRMAN. Or disclose what he learned in the relations of counsel to client?

Mr. EDWARDS. No; he would be the last man to do that.

The CHAIRMAN. Then you do not think you got that information from Col. Hoyt and that he got it from Havemeyer?

Mr. EDWARDS. No; as you put it, he did not do that.

The CHAIRMAN. Did he disclose any other source of information?

Mr. EDWARDS. No.

The CHAIRMAN. That is the source of your information that there was a distinct pledge that there would be no legislation at the hands of the Democrats which would be antagonistic to the interests of the sugar people?

Mr. EDWARDS. And that there should also be no anti-trust legislation.

The CHAIRMAN. That is the source of your information?

Mr. EDWARDS. The first source.

The CHAIRMAN. State any other source.

Mr. EDWARDS. I heard, in the course of the campaign, that statement repeated a good many times.

The CHAIRMAN. By whom?

Mr. EDWARDS. That is one of the things that was in the air.

The CHAIRMAN. That was in the air too——

The subscriptions may have been given as individual contributions, but such gift was a pure fiction if it was made in that way. It was a sugar-trust subscription to the national campaign committee in return for pledges which were afterwards insistently demanded to be redeemed.

Now, you stated awhile ago that you did not mean to speak of any contributions from a corporation, but individuals. What do you mean by that?

Mr. EDWARDS. I mean to say that they are subscriptions given by gentlemen connected with the sugar trust, with the understanding that the sugar trust was not to be harassed or annoyed.

The CHAIRMAN. Where did you get that information?

Mr. EDWARDS. Partly from Col. Hoyt and partly rumors in the air, and at both the headquarters.

The CHAIRMAN. You say: "The subscription was the magnificent sum of $500,000." From whom did you get that statement?

Mr. EDWARDS. Several sources.

The CHAIRMAN. State whom, if you recollect.

Mr. EDWARDS. I do not think I can give the name of any individual who told me.

The CHAIRMAN. Have you any direct knowledge of your own?

Mr. EDWARDS. No; no direct knowledge of my own.

The CHAIRMAN. It is what was said by other people, whose names you can not now recollect?

Mr. EDWARDS. Whose names I can not now recollect.

The CHAIRMAN. You say, "A part of this money bought Colorado for the Populists." What do you know about that?

Mr. EDWARDS. I recollect having heard it at the time—this is recollection—that a committee of Colorado Democrats came on to New York that they might see whether it would be well to withdraw their electoral ticket; that if it was withdrawn it would be entitled to legitimate expenses in doing it, because that would be perfectly honorable; and they obtained the money in New York. My recollection is it was a part of the subscription of some of the gentlemen connected with the sugar trust. They went back to Colorado, and the Democratic ticket was withdrawn.

Senator DAVIS. I wish you would name the gentlemen connected with the sugar trust to whom your remarks apply all through here.

Mr. EDWARDS. You mean so far as contributions are concerned?

Senator DAVIS. Named in your preceding testimony.

Mr. EDWARDS. When the sugar trust was mentioned in New York or in political circles the names *that* were identified with it were those

of Henry O. Havemeyer, Theodore Havemeyer (although in a very much less degree), John E. Searles, jr.; Cord Meyer, jr., and, in a less degree and indirectly, Mr. E. C. Benedict. My own impression is that Mr. Benedict was not actively connected with the sugar trust, except his friendships—not in a business way. The impression in Wall street is that he, as a broker and in other ways, is identified with it.

Senator DAVIS. Where do these gentlemen live?

Mr. EDWARDS. Henry Havemeyer lives in Greenwich, and has a residence in New York. Theodore Havemeyer has a legal residence in New York City and Cord Meyer has a residence on Long Island, I think in Queens County, but I do not remember the township. Queens County is the adjoining county to Brooklyn. Searles, the last I knew of him, had a legal residence in New Haven, Conn., but my impression now is that he now lives in Brooklyn.

Senator DAVIS. Where does Benedict live?

Mr. EDWARDS. Greenwich, Conn. There are other gentlemen associated with the sugar trust, but those are the names most frequently mentioned.

Senator DAVIS. I want the names of those who are associated with the sugar trust; give them and their places of residence.

Mr. EDWARDS. I can not myself give you any more than that.

Senator LINDSAY. Did I not understand you to say formerly that Mr. Elkins was associated with the sugar trust?

Mr. EDWARDS. Mr. Elkins, by popular report, has been not so much interested in the management. That is not my own knowledge, but common report, that he is interested in the sugar trust.

The CHAIRMAN. Do you know anything of this of your own knowledge. Is it not all common report?

Mr. EDWARDS. I think Mr. Havemeyer is; but I do not know of my own knowledge.

The CHAIRMAN. You said a while ago that you knew of his connection with the sugar trust, as you did that Mr. Sage was an owner of the Broadway Elevated?

Mr. EDWARDS. Yes.

The CHAIRMAN. You say:

> The sugar trust believed that the pledges would be kept, and, although many other manufacturing interests in the United States were alarmed by the reports of the purpose of the Ways and Means Committee of the House to bring in a tariff bill revolutionizing the policy of the Government, yet the managers of the sugar trust seemed to be strangely indifferent to the Ways and Means Committee and to what it might propose to do.

When you say that the sugar trust believed that the pledges would be kept, was that from any statement made by any of the gentlemen connected with the sugar trust to you or in your presence?

Mr. EDWARDS. No.

The CHAIRMAN. You say, further:

> When one of these gentlemen was asked if he was not afraid the committee might admit all sugar free, raw and refined, he replied: "We don't care what the House does; we own the Senate and we control the people at the other end of the avenue. No bill will become a law which will threaten our business."

Who was the gentleman referred to?

Mr. EDWARDS. I heard last winter that that remark was made by Mr. Cord Meyer, jr. He did not make it to me. I did not hear it made.

The CHAIRMAN. Whom did he make it to?

Mr. EDWARDS. I understood he made it, I think, at the Manhattan Club.

The CHAIRMAN. In whose presence?

Mr. EDWARDS. That I do not know.

The CHAIRMAN. Who was your informant?

Mr. EDWARDS. That I do not remember. It was a part of the news of the day and which I gathered at the time. I may have heard it at the Manhattan Club; I do not know.

The CHAIRMAN. Can you recall who told you?

Mr. EDWARDS. No; I can not recall that.

The CHAIRMAN. You say: "One of the leading members of the corporation began to visit Secretary Lamont." Who was that?

Mr. EDWARDS. That was Cord Meyer. That I heard at the same time; in the course of the same conversation.

The CHAIRMAN. And from the one who gave you the other information?

Mr. EDWARDS. Yes.

The CHAIRMAN. Do you make the same reply as to the source of that information?

Mr. EDWARDS. Yes; I do not identify the persons.

The CHAIRMAN. And the whole of that statement rests upon the same authority or want of authority that characterizes the one you were last asked about?

Mr. EDWARDS. Yes.

The CHAIRMAN. You say:

That member of the trust——

referring to the same one who went to Secretary Lamont——

must have received early information of the purposes of the White House end of the avenue, for he came back to New York while the bill was still pending in the mysterious chamber of which Senators Vest, Jones, and Mills alone had the key, and he reported that there was no longer occasion for alarm, that the administration would see to it that Democratic campaign pledges to the sugar trust were not repudiated, and that there would be either no tariff bill at all, or else one with which the trust could find no serious fault.

Mr. EDWARDS. That is a part of the same general conversation with Mr. Meyer.

The CHAIRMAN. And rests upon the same authority?

Mr. EDWARDS. Rests upon the same authority.

The CHAIRMAN. Now, you say in the next paragraph:

The pressure upon the west end of Pennsylvania avenue was not confined to a single member of the administration, Mr. Lamont; it touched every member of the Cabinet, with one exception, and it of course reached Mr. Cleveland, finding him not reluctant.

What is your information about that?

Mr. EDWARDS. My first information about that was something I saw in Harper's Weekly, edited by Carl Schurz. There was a series of articles all pointing that way. This was the beginning of what I refer to. There was one article in which it is stated—

the party is in power, and it is beaten and disgraced by men of its own whom it has honored with Senatorships, and who even sit in the Cabinet of the President, whose vigorous tariff message in 1887 brought the issue directly into the campaign of 1888, 1890, and 1892. It has been forced to surrender by Democratic Senators and at least one Cabinet officer, who have acted as the agents of trusts, or who have been pecuniarily interested in protecting properties or in the sugar-trust securities, whose rise and fall on Wall street must have been most profitable to those who had inside information of what was to be done by the Senate committee or by Senate compromises as to the sugar duty.

Whether that was the identical paragraph that first attracted my attention, I do not know, but it was a long series of articles.

The CHAIRMAN. What other information than that contained in that paragraph did you have of the truth of this statement?

Mr. EDWARDS. I had heard that Mr. Carlisle had asked his assistant Secretary, Mr. Hamlin, about the time the Wilson bill was in transit, or a little after, to have a very accurate and careful schedule passed of the relations of sugar to the tariff bill. Where I heard that I can not identify now.

The CHAIRMAN. The relations to the tariff?

Mr. EDWARDS. The relations of sugar, raw and refined, to the tariff.

Senator LODGE. The amount of money?

Mr. EDWARDS. Yes.

The CHAIRMAN. Is that one of the facts.

Mr. EDWARDS. Yes.

The CHAIRMAN. Did it not strike you that that was a proper thing for the Secretary of the Treasury to do.

Mr. EDWARDS. Of course it was a proper thing to do; otherwise he would not have done it.

The CHAIRMAN. But you say that that is one of the facts upon which you found the statement that the pressure was not confined to a single member of the administration, Mr. Lamont, but touched every member of the Cabinet and reached Mr. Cleveland, who was not reluctant. How does that fact refer to Secretary Carlisle in the statement which you have made?

Mr. EDWARDS. One of several.

The CHAIRMAN. Are you speaking of any improper pressure?

Mr. EDWARDS. No; it is political pressure.

The CHAIRMAN. How does the performance of such a duty by Mr. Carlisle make ground for inference that his performance of it was due to political pressure?

Mr. EDWARDS. Taking some other things into consideration, it would have a tendency to show that the Secretary was interested in that particular thing.

The CHAIRMAN. Can you imagine anything more legitimate in connection with his duties than that he should have relations to so important an article in the tariff bill as sugar, and should get together the information necessary for the Ways and Means Committee?

Mr. EDWARDS. Not unless he made an exception of sugar.

The CHAIRMAN. Did he make an exception of sugar?

Mr. EDWARDS. I do not know; I did not hear. But that was only one statement.

The CHAIRMAN. Go on.

Mr. EDWARDS. I heard, as a part of the rumor at the time, that the Secretary had——

Senator ALLEN. The Secretary of the Treasury?

Mr. EDWARDS. Yes—had given letters of introduction to Mr. Havemeyer for certain Senators. I did not then know who the Senators were; did not pay attention to it except as one of several things. I have since seen an interview in which Senator Mills said he was one of the Senators who received such introduction at the time.

The CHAIRMAN. From whom did you get that information?

Mr. EDWARDS. That was part of the common rumor that we heard in New York.

The CHAIRMAN. It was in the newspapers?

Mr. EDWARDS. In the newspapers.

The CHAIRMAN. Have you given all the facts upon which you draw the inference contained in the paragraph I have just read?

Mr. EDWARDS. I think I have, except we heard in New York almost every day that Mr. Carlisle was very much interested in the sugar schedule; that the Wilson bill had done the sugar interest harm.

The CHAIRMAN. From whom did you hear that?

Mr. EDWARDS. I do not know, it was in the air.

The CHAIRMAN. You say, "The trust sent Senator Brice to the President."

Mr. EDWARDS. He did not state that he sent, but that he went. It was stated in New York that his friends wanted him to go.

The CHAIRMAN. You say here that the trust sent Senator Brice.

Mr. EDWARDS. I say it was information.

The CHAIRMAN. From whom?

Mr. EDWARDS. I can not say.

The CHAIRMAN. Did Senator Brice say so?

Mr. EDWARDS. Brice in his interview said so.

The CHAIRMAN. Said what?

Mr. EDWARDS. That he went to the President.

The CHAIRMAN. And you heard from people whom you can not identify that the trust sent him?

Mr. EDWARDS. Yes.

The CHAIRMAN. You know nothing of your own knowledge of it?

Mr. EDWARDS. Nothing of my own knowledge.

The CHAIRMAN. You say, "He found that Mr. Cleveland was not responsive."

Mr. EDWARDS. That is a paraphrase of mine.

Senator LODGE. You state that there was one member of the Cabinet not approached. Who was that?

Mr. EDWARDS. We heard in New York that it was Secretary Morton.

Senator LINDSAY. At the time that you heard it talked that Mr. Carlisle was taking some interest in the sugar schedule did you not also hear that the complaint was that the Wilson bill, as it passed the House, would not pay revenue enough to pay the expenses of the Government, and from other sources the revenue must be looked to?

Mr. EDWARDS. I did hear that; yes.

The CHAIRMAN. You say:

Mr. Cleveland took, in that interview, nothing but the political and partisan view.

From what do you gather that?

Mr. EDWARDS. The report on Wall street was that Mr. Cleveland believed it would be an injustice to the sugar people to have them submit to a bill like that sent by the Wilson people, and that it was not fair.

The CHAIRMAN. Was that matter of common report or specific information?

Mr. EDWARDS. Common report.

The CHAIRMAN. (Reading.) "He did not particularize, of course, the sugar trust, but he expressed annoyance over the tendency in the Senate, dissatisfaction with the Wilson bill, admitted that mistakes were being made and pledges violated, and spoke of the loss of support to the Democratic party which would be occasioned by the passage of such a bill as the subcommittee of the Senate were reported to be considering."

Mr. EDWARDS. That is matter of common report in New York City. I can not identify the particular individual who told me.

The CHAIRMAN. (Reading.) "There were other evidences that this purely political and partisan pressure was being brought to bear. Sen-

ator McPherson revealed it. It has not been told hitherto how he, upon one occasion, in the presence of the Democratic members of the Finance Committee, stormed and raved, going almost into a frenzy of passion, intimating that the party was prepared to stab the men who saved it, and, at last, in the fury of his indignation, turned and left the room."

Mr. EDWARDS. That was the story we heard in New York. My recollection is that it came to me from a very good source. I think it was mentioned in some general conversation.

The CHAIRMAN. Was it published in the papers?

Mr. EDWARDS. I think it was. No; that was not published in any paper.

The CHAIRMAN. Can you identify who told you?

Mr. EDWARDS. No; I can not. I think it was not published in any paper.

The CHAIRMAN. You say:

Senator Brice had represented to the President that these three trans-Mississippi Senators, who had charge of the bill, were determined to make sugar of all sorts absolutely free. Meyer and Croker had represented the same thing to Dan Lamont. Whitney and Benedict indirectly approached the administration protesting, and at last the administration determined to act.

What is your source of knowledge in regard to that statement?

Mr. EDWARDS. So far as Brice is concerned, it is contained in his own interview. So far as Meyer is concerned, I have already intimated that it was made known at a conversation with Mr. Meyer that took place at the Manhattan Club.

The CHAIRMAN. To which you have testified?

Mr. EDWARDS. Yes.

The CHAIRMAN. And you can not indentify your informant?

Mr. EDWARDS. No; it was intimated in New York that Mr. Croker, who had come over from New York to see Mr. Lamont—that was a matter of hearsay, but it came from a man of good character, but I do not remember the individual who told me that——

The CHAIRMAN. (Reading.) "Whitney and Benedict indirectly approached the administration protesting."

Mr. EDWARDS. That was also a report very prevalent in Wall street.

The CHAIRMAN. Did you ever hear anybody say that whom you can now identify?

Mr. EDWARDS. I can not identify; but I heard a good many people.

The CHAIRMAN. You have no knowledge of it of your own?

Mr. EDWARDS. No; no knowledge of my own.

Senator LINDSAY. I will ask the witness whether or not, at the time he heard the reports in regard to Mr. Cleveland's comment upon the treatment of the sugar interests, it was not in connection with sugar being put upon the free list and the tariff?

Mr. EDWARDS. I do not quite understand your question.

Senator LINDSAY. You spoke of Mr. Cleveland having commented on the sugar interest. Now, I ask you, in the same connection, was not the subject discussed that the Wilson bill had left the sugar-planter without the bounty imposed by the McKinley bill and without any tariff at all?

Mr. EDWARDS. Yes.

Senator LINDSAY. Was it not currently reported that Mr. Croker came over here to defeat the income tax?

Mr. EDWARDS. That also was in one of the reports.

The CHAIRMAN. You say:

Upon one occasion, some time in February, when the Finance Committee or the Democratic members of it were in perhaps informal session, there came into the

room, unexpectedly to all those present excepting two members, none other than the Secretary of the Treasury, Mr. Carlisle. His going there at that time has never been reported until this writing of it. He went secretly and came away secretly. His visit was supposed to be a confidential one. It was a confidence not imposed upon one member of that committee, and, therefore, it is possible now to make report of what Mr. Carlisle said. They looked upon him as speaking not so much for Mr. Carlisle as for the administration. He did not say that he came from the President, but when he had finished making his astonishing statement not one of those who heard him doubted that he had come from the President and was echoing the President's wishes and giving emphasis to them by an earnest and, for him, excited manner. What he said is quoted from remembrance, but it is substantially accurate as it was reported by one who heard it.

You say from remembrance. Is it yours?

Mr. EDWARDS. Partly mine and partly my informant's.

The CHAIRMAN. You mean to say that you heard Mr. Carlisle?

Mr. EDWARDS. No.

The CHAIRMAN. You say what he said is quoted from remembrance?

Mr. EDWARDS. My remembrance of what my informant said.

The CHAIRMAN. Who was your informant?

Mr. EDWARDS. That, I suppose, I shall have to decline to answer. I do it with the utmost respect to the committee and the Senate. The information was given to me under obligations of the highest confidence by the one who entailed that obligation, so that I do not feel at liberty to reveal his name.

The CHAIRMAN. Shall we pass over that for the present and go on with the examination?

Senator ALLEN. I do not know why the witness should decline. I understand you to say that your informant was present?

Mr. EDWARDS. I understood from my informant that he was present.

Senator ALLEN. And that the statement of what the Secretary said was what he remembered?

Mr. EDWARDS: As I remember.

Senator ALLEN. Your informant undertook to quote to you the words of the Secretary?

Mr. EDWARDS. From memory.

Senator ALLEN. And you have printed the substance of what he said?

Mr. EDWARDS. That is it.

Senator ALLEN. This, of course, is a direct, specific statement, and you decline to give the name of your informant. I want to ask you this question: The press of this country is demanding that this committee should find out the truth of these allegations; they are demanding that we should get at the bottom of these facts. If the press, who makes all these charges, decline to give us the only evidence on which, it seems to me, we can substantiate the fact, will you be kind enough to suggest a means by which we can reach the fact?

Mr. EDWARDS. This statement was made, I understood, in the presence of the members of the Finance Committee.

The CHAIRMAN. That will not do. Your testimony is not direct testimony; it is hearsay. We want the best evidence—direct evidence.

Senator ALLEN. Your evidence would not be competent in a court of justice.

The CHAIRMAN. You can not depose to that evidence. You can depose to this being your recollection of what your informant said was his best recollection. That is your testimony. Now, we want the name of the person who heard it and who detailed it to you.

Mr. EDWARDS. I can only say that that conversation was repeated to me by a gentleman of the highest character, I presume, and before

he repeated it he imposed an obligation on me of confidence not to give it.

The CHAIRMAN. Have you observed it in publishing what he said?

Mr. EDWARDS. It was given to me for publication.

Senator LINDSAY. But the gentlemen who gave you the information is not willing to father it to the public?

Mr. EDWARDS. I infer not.

Senator LINDSAY. He told you at the time that his name was to be concealed?

Mr. EDWARDS. I have been to see him to see if I could use his name, and was told that I was to be held to my obligation.

Senator LINDSAY. Is not the Philadelphia Press one of the papers that is saying that we should hold open sessions and get at the bottom facts?

Mr. EDWARDS. I do not know. I think there has been a general talk about the committee sitting behind closed doors.

Senator LINDSAY. You are one of its correspondents?

Mr. EDWARDS. Yes. My information is, when I was in Washington before, that they almost always sat behind closed doors.

Senator ALLEN. Was this man before the committee at the time that Mr. Carlisle made this statement?

Mr. EDWARDS. I think he was; he must have been.

Senator ALLEN. Was the man a member of Congress?

Mr. EDWARDS. I suppose that is in the nature of cross-examination tending to get me to disclose. But I will say that he is not a member of Congress.

Senator ALLEN. Was he a clerk in the employ of the Government?

Mr. EDWARDS. I ought to draw the line at that question, and I decline to answer it. I do it with respect.

Senator ALLEN. You understand, you have no right to secrete the name of any such person when you are called upon in an examination of this kind. We have a right to demand the name of you. The only shield you have here is you are at liberty not to testify on any subject that would subject you to a criminal prosecution. If the statement does not criminate you under the law, you can not conceal that name. Do you understand that to be the case?

Mr. EDWARDS. I do not.

Senator ALLEN. That is true. Under those circumstances, do you still refuse to disclose the man's name?

Mr. EDWARDS. I think I should like to get the opinion of counsel about that. My sense of honor in regard to that gentleman is so delicate; I want to do what is right; I want to meet my obligation with perfect freedom; and I think if I had understood the matter as the Senator speaks of him I should not have entered into such an obligation.

Senator ALLEN. Is this man whose name you decline to give a clerk of any of the committees in the House, a doorkeeper, or an employé around any of the committee rooms?

Mr. EDWARDS. No; I think not—of the House.

The CHAIRMAN, Or of the Senate?

Mr. EDWARDS. I ought not to answer that, because if I did it would be a practical indication of who the individual is.

The CHAIRMAN. Not necessarily so; you do not disclose his name.

Mr. EDWARDS. I think he is employed in some capacity by the Senate.

The CHAIRMAN. In what capacity is he employed by the Senate?

Mr. EDWARDS. That I do not know.

The CHAIRMAN. Was he employed by that committee to whom these gentlemen belonged, before whom Mr. Carlisle was alleged to have made this statement?

Mr. EDWARDS. That I do not know.

The CHAIRMAN. Did the gentleman inform you that he was present when Mr. Carlisle was reported to have said what he said?

Mr. EDWARDS. I think he was.

The CHAIRMAN. You think he is employed by the Senate?

Mr. EDWARDS. I think so.

The CHAIRMAN. You do not know if he is employed by the Committee on Finance?

Mr. EDWARDS. I do not.

Senator LODGE. Did he give you this information in New York?

Mr. EDWARDS. No; in Washington.

The CHAIRMAN. When?

Mr. EDWARDS. About two weeks ago.

The CHAIRMAN. How long after he alleges Mr. Carlisle made the statement?

Mr. EDWARDS. I understood his testimony was given in February.

The CHAIRMAN. What testimony?

Mr. EDWARDS. Not testimony. That statement was made in February.

The CHAIRMAN. When did this gentleman tell this to you?

Mr. EDWARDS. About two weeks ago.

Senator DAVIS. Whereabouts in Washington did he make the statement?

Mr. EDWARDS. It was in this vicinity; around the Capitol.

Senator DAVIS. Whereabouts in this vicinity?

Mr. EDWARDS. I do not think I could say.

The CHAIRMAN. You do not think you could say, or do not remember?

Mr. EDWARDS. I could not identify the place.

Senator DAVIS. Did you go to him, or did he come to you to impart it?

Mr. EDWARDS. I went to him.

Senator DAVIS. Where did you find him?

Mr. EDWARDS. I found him in a room or office—did not pay any particular attention.

Senator DAVIS. In this building?

Mr. EDWARDS. In this building; no.

Senator DAVIS. In what building did you find him?

Mr. EDWARDS. That, I suppose, would identify my informant, if you will let me wait and think that over I will——

Senator DAVIS. We will pass that over. When you went to him was it with any previous understanding or hope on your part that you would get the information?

Mr. EDWARDS. I was instructed to go to him by Mr. Bradford Merrill, editor of the New York Press.

Senator DAVIS. Did he tell you to whom to apply?

Mr. EDWARDS. To whom to apply?

Senator DAVIS. Did you know this man before you saw him?

Mr. EDWARDS. Never met him or saw him before.

Senator DAVIS. Did Mr. Merrill tell you verbally, or by letter?

Mr. EDWARDS. Verbally.

Senator DAVIS. Where?

Mr. EDWARDS. In New York.

Senator DAVIS. Did Mr. Merrill tell you you could get particular information out of this man?

Mr. EDWARDS. He told me he thought the man had information which he could give me.

Senator LODGE. I do not understand from your article or from what you state here that you intend to imply that any representative or any member of the sugar trust was present at this meeting.

Mr. EDWARDS. No; I do not.

Senator LODGE. I understand the substance of that statement to be that the party was an official or semiofficial.

Mr. EDWARDS. I judge it was an informal meeting of the committee.

Senator LODGE. Of some members of the committee?

Mr. EDWARDS. Democratic members.

Senator LODGE. And you understand also that your informant was present?

Mr. EDWARDS. Yes.

The CHAIRMAN. I suppose the statement had better be put into the record of what it is alleged Secretary Carlisle said. It is:

Gentlemen, there is one thing that I am bound to say to you as earnestly and impressively as I can do it, and I speak to you as a Democrat to Democrats. No party or the representatives of no party can afford to ignore honorable obligations. I want to say to you that there seems to be danger that this is going to be done. Gentlemen associated with the sugar-refining interests (I may tell you what perhaps you do not know) subscribed to the campaign fund of the Democratic party in 1892, a very large sum of money. They contributed several hundred thousand dollars, and at a time when money was urgently needed. I tell you that it would be wrong, it would be infamous, after having accepted that important contribution, given at a time when it was imperatively needed, for the Democratic party now to turn around and strike down the men who gave it. It must not be done. I trust that you will prepare an amendment to the bill which will be reasonable, and in some measure satisfactory to these interests.

That is the substance of what Mr. Carlisle had said.

Mr. EDWARDS. That is his remembrance and my remembrance.

The CHAIRMAN. Your remembrance of what your informant said?

Mr. EDWARDS. Yes.

Senator LODGE. I understand, then, that the committee is to understand that Secretary Carlisle was present?

Mr. EDWARDS. Yes.

Senator LODGE. And some or all of the Democratic members of the Finance Committee?

Mr. EDWARDS. Yes; that is my understanding.

Senator LODGE. And that of your informant?

Mr. EDWARDS. And that of my informant. That was my understanding.

Senator LODGE. No one else was present?

Mr. EDWARDS. That is all—not that I heard.

Senator ALLEN. Whom did Mr. Merrill tell you to go to for information?

Mr. EDWARDS. To this gentleman.

Senator ALLEN. Did he tell you where you would find him?

Mr. EDWARDS. Yes.

Senator ALLEN. Where did he say you would find him?

Mr. EDWARDS. That would disclose the man.

Senator DAVIS. I want to be fair with this witness. He has made the point distinctly that upon this line of questions he is entitled to advice of counsel, and before getting that advice he declines to state from whom he got the information.

Mr. EDWARDS. I will put myself in the hands of counsel and be determined by what he will say. I will say to the committee that I will be guided by what my counsel says.

A recess was taken at 1 o'clock p. m. until 2 to give the witness an opportunity to consult counsel.

AFTER RECESS.

The CHAIRMAN. Mr. Edwards, are you prepared to answer the question propounded to you?

Mr. EDWARDS. I have to ask the further indulgence of the committee. Mr. Dittenhoefer, my counsel, is on here from New York. Through some misunderstanding I did not find him at the hotel, the Arlington. Mrs. Dittenhoefer tells me he is here at this end of the Capitol. I would suggest, if agreeable to the committee, that we go on with other matters and give me an opportunity to consult with Mr. Dittenhoefer later.

Senator LODGE. Let us go on with the rest of the article and waive this at present.

The CHAIRMAN. You say:

That, in substance, was the plea of Secretary Carlisle to the members of the Finance Committee, that they respect the obligations entered into by the national campaign committee and the personal representatives of Mr. Cleveland in 1892. It was a plea powerfully put. Mr. Carlisle said but little more; he had said enough. He turned and left the committee, going away with that secrecy with which he came, but before he did so he signified his willingness himself to prepare an amendment which he thought would be fair to the Government, and yet be just to the sugar interests.

What is your authority for that statement, that he went away secretly after signifying his willingness to prepare an amendment?

Mr. EDWARDS. The same as the other.

The CHAIRMAN. You know nothing of it of your own knowledge?

Mr. EDWARDS. Know nothing of my own knowledge.

Senator ALLEN. You got this from the same man?

Mr. EDWARDS. Yes.

The CHAIRMAN (reading). "That very thing he did, not long after." Do you know that of your own knowledge?

Mr. EDWARDS. No.

The CHAIRMAN. You got that from the same person?

Mr. EDWARDS. The same person.

The CHAIRMAN (reading). "The chairman of the Finance Committee received and showed to certain favored friends the draft of an amendment, in Secretary Carlisle's own handwriting, to the sugar schedule, and that draft is in Mr. Voorhees's possession to this day unless he has destroyed it." Do you know that of your own knowledge?

Mr. EDWARDS. Not of my own knowledge.

The CHAIRMAN. Where did you obtain that information?

Mr. EDWARDS. From the same source.

The CHAIRMAN. "Secretary Carlisle had scratched out from the printed schedule the provisions as originally made and by interlineation had inserted the following words: 'On all sugars not above No. 16 Dutch standard and on all'—after the word 'all' the printed form remained in which mention was made of other sugars, and then this interlineation, 'instead of one-eighth of 1 per cent, 45 per cent ad valorem.'" Is that of your own personal knowledge?

Mr. EDWARDS. That is from the same source.

The CHAIRMAN. As the other?

Mr. EDWARDS. Yes.

The CHAIRMAN. And told at the same time?

Mr. EDWARDS. At the same time.

The CHAIRMAN. Part of the same interview?

Mr. EDWARDS. Part of the same interview.

Senator LINDSAY. Before leaving that I want to ask a question. Did this man inform you that Mr. Carlisle scratched out "one-eighth of 1 per cent" and inserted "45 per centum on all sugars;" is that what you understood him to say?

Mr. EDWARDS. Yes; that is what I understood him to say.

Senator LINDSAY. There was no arrangement for any specific tax?

Mr. EDWARDS. My understanding was that the 45 per cent ad valorem covered the sugars.

Senator LINDSAY. That it was 45 per cent straight?

Mr. EDWARDS. Yes, on all sugars.

Senator DAVIS. I understand his understanding was limited by the fact that he took the bill and struck out one-eighth per cent and inserted the straight ad valorem?

Senator ALLEN. Did your informant say that Mr. Carlisle had stricken out the one-eighth per cent?

Mr. EDWARDS. Yes; I understood him to say so. I understood him to say he had stricken out one-eighth of 1 per cent and interlineated so as to make it read all sugars of all kinds 45 per cent ad valorem.

Senator ALLEN. There is 1 mill made to apply to all countries that offer a bounty to exporters of sugar. Is that stricken out?

Mr. EDWARDS. The only thing stricken out was the one-eighth of 1 per cent. That is my recollection.

The CHAIRMAN. You state further:

Upon one occasion there were gathered in a room in a Washington hotel, Mr. Havemeyer, Senator Brice, Senator Smith, of New Jersey; "Brice's Terrell," and one other man, whose name it may be worth while to withhold for the present. At that interview Mr. Havemeyer displayed a great deal of indignation. He rebuked Senator Brice for failing to secure such influence in the Senate as the sugar people expected him to secure. He turned to Senator Smith and asked him bluntly, almost brusquely, what he was going to do to maintain the pledges of the party leaders to the sugar men and to secure a satisfactory schedule.

What is your authority for that statement. Do you know it personally?

Mr. EDWARDS. That I do not know personally.

The CHAIRMAN. What is your authority for it?

Mr. EDWARDS. The first I heard of it was a series of articles in the New York World, published at that time, stating specifically those facts and giving, if I recollect, the number of the room. That is what called my attention first to that matter. Afterward this same authority told me that this story was true.

The CHAIRMAN. Which same authority?

Mr. EDWARDS. The same authority that gave me the information about the Carlisle amendment.

The CHAIRMAN. And the Carlisle speech?

Mr. EDWARDS. The Carlisle speech, that he heard it. I do not think the gentleman knew that of his own knowledge. My impression is that he repeated it as a piece of information he had heard.

The CHAIRMAN. You mean to say this man whose name you refuse to give heard that interview between Havemeyer, Brice, and others?

Mr. EDWARDS. Not with his own ears, but heard it from others.

The CHAIRMAN. Who first told you of it?

Mr. EDWARDS. I saw a number of articles in the New York World about it, and then this man told me.

The CHAIRMAN. This information is gathered from articles in the New York World and afterward from this undisclosed informant?

Mr. EDWARDS. Yes.

The CHAIRMAN. Have you any knowledge except that?

Mr. EDWARDS. Nothing, except an interview reported in the New York Mail and Express, in which it was stated that the original informer was a wire manufacturer in New York City.

The CHAIRMAN. That was after the printing of this article?

Mr. EDWARDS. Yes.

The CHAIRMAN. And that had no connection with your statement?

Mr. EDWARDS. No.

The CHAIRMAN. And could not have had?

Mr. EDWARDS. No, because I think it was printed last Saturday.

The CHAIRMAN. You say upon this occasion that—

There were gathered in a room in a Washington hotel Mr. Havemeyer, Senator Brice, Senator Smith, of New Jersey; "Brice's Terrell," and one other man whose name it may be worth while to withhold for the present.

Who was that?

Mr. EDWARDS. A Mr. Reed, of Boston, whose initials I have forgotten. My information is that he was interested with the sugar people.

Senator LODGE. Do you know his address?

Mr. EDWARDS. I do not know his address. He is in Boston.

The CHAIRMAN. Why did you say in this article that it is worth while to withhold his name?

Mr. EDWARDS. That was a piece of journalism, and had no connection whatever with the story. It was journalistic fiction instead of legal fiction.

The CHAIRMAN. You say:

Here we know that the brokers with whom Senator Brice has been accustomed to commit his speculative interests have been very large purchasers of sugar, and we know also that these brokers had inside information as to the action of the Senate upon the sugar schedule.

You say you know. How do you know?

Mr. EDWARDS. Everybody knew that Moore & Schley, of New York, the brokers with whom Senator Brice has by common report a common understanding, dealt in all his business, were the largest operators in sugar.

The CHAIRMAN. Do you know that yourself?

Mr. EDWARDS. I do not know it legally.

The CHAIRMAN. You know it by public report?

Mr. EDWARDS. As a matter of public understanding on the stock exchange.

The CHAIRMAN. And no other way?

Mr. EDWARDS. No other way. I had no dealings——

The CHAIRMAN. You say further:

On the very day that Mr. Voorhees, the chairman of the Finance Committee, denied in the Senate that any amendments were proposed to the Senate's bill as originally reported by the Finance Committee the list of some 400 amendments, as prepared by Senator Jones, was in the hands of a member of the brokerage firm of Moore & Schley. He had not arisen when it was placed in his hands; he was in bed, for it was early morning.

Is that of your own knowledge?

Mr. EDWARDS. Not of my own knowledge.

The CHAIRMAN. What *is your authority* for that statement?

Mr. EDWARDS. The authority is the same as that given for what is called the Carlisle amendment.

The CHAIRMAN. This undisclosed man?

Mr. EDWARDS. Yes.

The CHAIRMAN. Who was the member?

Mr. EDWARDS. The Washington member of the New York house.

Senator DAVIS. Do you know his name?

Mr. EDWARDS. I do not. It was mentioned, and I forgot to catch it. I forgot to ask about it afterwards; but he was identified as the Washington representative.

Senator DAVIS. Do you know where the Washington office is?

Mr. EDWARDS. I do not

Senator ALLEN. Do they keep an office here for the purpose of keeping track of legislation?

Mr. EDWARDS. I do not know that they keep it here for that purpose, although the New York brokers have agents here to inform them of those things.

The CHAIRMAN. Then you say this specific statement is from the same authority as the statement made to you by this undisclosed gentleman?

Mr. EDWARDS. Yes.

The CHAIRMAN. The one who gave you the statement in regard to Mr. Carlisle?

Mr. EDWARDS. Yes.

The CHAIRMAN. You say that—

We had, upon the Sunday before the bill as first reported was sent to the Senate, a striking illustration of the absolute domination of the sugar trust over the Democratic members of the Finance Committee. That was an all-day and half-the-night session and upon the Sabbath day. In one room were the Democratic members of the Finance Committee, and also, in the wing of the Capitol, were the representatives of the sugar trust. There were Havemeyer and Terrell and Meyers, Ben Le Fevre, and others. These men sat, as the rulers of a political convention sit, in a place apart and yet within instant communication of those who are to act. There were runnings back and forth between the Finance rooms and the quarters occupied by the trust all day.

Is that statement personal knowledge of your own?

Mr. EDWARDS. It is not.

The CHAIRMAN. Upon what authority is it stated?

Mr. EDWARDS. This same person whom you call undisclosed.

Senator ALLEN. Did he pretend to know that himself?

Mr. EDWARDS. My impression is that he knew all that of his own knowledge.

The CHAIRMAN. Himself?

Mr. EDWARDS. Yes.

The CHAIRMAN. "Everything had been arranged up to the point of satisfying Louisiana Senators. Even the trust realized that it was necessary for the Democratic party to placate these Louisiana men, or else there would surely be two votes against the bill."

Is that statement true, or matter of conjecture by you?

Mr. EDWARDS. I think it is all general statement; I think it is matter of common report.

The CHAIRMAN. "It was a question of compromise, each side giving a little and taking a little. At one time it seemed as though the whole negotiation must go to pieces. Never was there more desperate battle between conflicting interests in the committee rooms of the Capitol. At last, late that evening, Senator Caffery drafted a schedule, Mr. Havemeyer looking over his shoulder, and the other members of

the sugar trust watching the Senator with eyes that fairly glittered, as one Senator who saw that spectacle afterwards reported."

Do you know that personally?

Mr. EDWARDS. I do not know that personally.

The CHAIRMAN. What is your authority for it?

Mr. EDWARDS. The same as the other, this undisclosed informer.

The CHAIRMAN. "It was the crucial moment. When Senator Caffery had finished, the sugar trust, read his draft, reluctantly accepted it, it was taken to the room of the Finance Committee and there accepted, the victory won, and the original draft is still in the possession of the committee, in Caffery's handwriting and with the approving marks of the sugar trust upon it."

Do you know that of your own knowledge?

Mr. EDWARDS. I do not know that of my own knowledge.

The CHAIRMAN. What is your authority for that statement?

Mr. EDWARDS. The same as the others.

The CHAIRMAN. This undisclosed informant?

Mr. EDWARDS. Yes.

The CHAIRMAN. "It was after this was done that word was brought to New York and confidential information given to a company of conspicuous Democrats that the sugar trust had clinched the Senate, and that their interests were now protected, whatever was done by the Senate." What is your authority for that statement?

Mr. EDWARDS. I heard something of that kind. I do not know the source of the information. It is a report that was brought to New York. It is one of those things that passes around from mouth to mouth and came to my ears.

Senator ALLEN. Did your informant say in what room, on the Sabbath mentioned, were Mr. Havemeyer and these representatives of the sugar trust—what room in the Capitol?

Mr. EDWARDS. I understood it was a room near to, if not adjacent to, the Finance Committee room. Perhaps it was on the opposite side of the corridor. It was within one or two moments' communication; I recollect that.

Senator ALLEN. Did your informant give you the names of all the different persons in these different rooms?

Mr. EDWARDS. He did not say all; he mentioned the names I have mentioned there.

Senator ALLEN. Did he say there were any persons besides the Senators and the members of the sugar trust?

Mr. EDWARDS. No; I think not, excepting their attorneys, Mr. Le Fevre and Mr. Terrell.

The CHAIRMAN. You say there were Havemeyer, Terrell, Ben Le Fevre, and others?

Mr. EDWARDS. I have also mentioned Mr. Reed.

The CHAIRMAN. Do you know Mr. Havemeyer personally?

Mr. EDWARDS. I do not know him personally.

The CHAIRMAN. Do you know Mr. Terrell personally?

Mr. EDWARDS. I do not.

The CHAIRMAN. Do you know Mr. Meyer personally?

Mr. EDWARDS. I do not.

The CHAIRMAN. Do you know Ben Le Fevre personally?

Mr. EDWARDS. I do, personally.

The CHAIRMAN. Is he the gentleman who is in New York?

Mr. EDWARDS. Yes; he was for ten or twelve years. He is now a lawyer in New York.

Senator ALLEN. Where did you say your informant claimed to be?

Mr. EDWARDS. He did not tell me.

Senator ALLEN. He claimed to have seen it?

Mr. EDWARDS. He saw it.

Senator ALLEN. Was he in this Finance Committee room or the room adjacent, where the members of the sugar trust were?

Mr. EDWARDS. He did not state; he just said that he saw.

Senator ALLEN. Did he state to you in what capacity he was there?

Mr. EDWARDS. No, he did not.

Senator ALLEN. Do you know in what capacity he was acting there at that time?

Mr. EDWARDS. No; I do not.

Senator ALLEN. Did you know from him, or from seeing him perform certain duties, what he was doing?

Mr. EDWARDS. No.

Senator ALLEN. How long had you been acquainted with this man who informed you of this?

Mr. EDWARDS. I never was acquainted with him.

Senator ALLEN. Never saw him before?

Mr. EDWARDS. Never saw him before—not knowingly. I may have seen him when I was in Washington.

Senator ALLEN. Have you seen him to-day?

Mr. EDWARDS. I have not.

Senator ALLEN. Have you seen him within the last week?

Mr. EDWARDS. I have not.

Senator ALLEN. Or had any communication from him?

Mr. EDWARDS. Not at all; not the slightest.

Senator LODGE. Do you know Mr. Benedict?

Mr. EDWARDS. I have met Mr. Benedict once; was introduced to him. I saw him on the street, but I can not say that I am acquainted with him.

The CHAIRMAN. This letter, with the exception of the information which you got from your undisclosed informant, was made up from matters which you say were common knowledge and things that were in the air, and not from personal knowledge given to you by any person whom you could identify?

Mr. EDWARDS. No; that is strictly the truth.

Senator LINDSAY. Except Col. Hoyt, who is dead?

Mr. EDWARDS. Yes; I should not have mentioned Col. Hoyt, except that one of his statements is corroborated by Governor Waller.

The CHAIRMAN. How long has Col. Hoyt been dead?

Mr. EDWARDS. He died in April, I think. I was pallbearer at his funeral. It was some time early in April.

The CHAIRMAN. He was a lawyer?

Mr. EDWARDS. He was a lawyer, quite a prominent lawyer of Connecticut.

Senator LINDSAY. In this conversation reported by this undisclosed informant, did he say that Mr. Carlisle did or did not express an interest in the sugar-planting people of Louisiana?

Mr. EDWARDS. I do not think that was mentioned. I have no recollection about that, and yet it may be that it was. I do not recollect that it was or was not.

Senator LINDSAY. You know as a fact that the House bill had repealed the bounty of 2 cents a pound to the sugar-grower, and has left sugar without any bounty at all?

Mr. EDWARDS. I know that to be a fact.

Senator LINDSAY. Is it not a fact that this informant told you that Mr. Carlisle put these sugar refiners on the same footing as the sugar-growers of Louisiana?

Mr. EDWARDS. No; he did not say that at all.

Senator LINDSAY. What did he say?

Mr. EDWARDS. He simply stated that Mr. Carlisle had presented a memorandum to the committee, or certain erasures of an amendment or interlineations, providing for a duty of 45 per cent on all sugars.

Senator LINDSAY. And with the erasure of one-eighth of 1 cent per pound on sugar?

Mr. EDWARDS. Yes; I think that he said there was another interlineation or rather an addition, providing that the reciprocity treaty with Hawaii should be preserved in spite of any other thing.

SWORN TESTIMONY OF JOHN S. SHRIVER.

The CHAIRMAN. How old are you?

Mr. SHRIVER. I am 36.

The CHAIRMAN. Where do you live?

Mr. SHRIVER. My legal residence is Baltimore, but I live in Washington.

The CHAIRMAN. What is your business?

Mr. SHRIVER. Newspaper man.

The CHAIRMAN. In what way are you a newspaper man?

Mr. SHRIVER. I am Washington correspondent of the New York Mail and Express.

The CHAIRMAN. There is an article in the New York Mail and Express of last Saturday, May 19, 1894—a letter, I should say, which I have in my hand. Was that written by you?

Mr. SHRIVER. Yes.

The CHAIRMAN. In it you say:

Just here it may be well to give a little incident in the proceedings of the last few weeks in which the sugar trust has taken such a prominent part. The headquarters of the officials of the trust have been in a certain room in the Arlington Hotel. The night the celebrated demand was made on the Democratic Senators that the trust must be cared for or the Wilson bill would be killed, there happened to be in the next room to the sugar trust parlor a wire manufacturer from a place not far from New York. He had come to Washington to try to induce the Senate Finance Committee to change its schedule in which he was interested, and, worn out with his vain attempts to secure an audience with the Democratic "triumvirate" in charge of the bill, he had retired to his room.

He had hardly sought his bed before the loud talking in the sugar trust parlor attracted his attention. He tried to sleep, but slumber was impossible. The voices next door grew louder and more violent as the night proceeded. He distinctly distinguished the voices of several Democratic Senators whom he knew, and also those of the sugar trust magnates. It was nearly morning when the conference broke up and the wire manufacturer was allowed at last to fall asleep. He did not, however, remain in bed long after the sun was up, because what he had heard seemed to him too good news.

Bright and early he was down in the lobby of the hotel and telling his friends, among them a couple of Congressmen, that he knew the Wilson bill would never pass. He made no secret of how he got his information, and even told the names of the Senators who had been in the room next to him nearly all night. The wire manufacturer did not linger about Washington, but returned to his home fully satisfied that there was no use for his remaining any longer to see the Democratic Finance Committee.

That is in your letter. Do you of your own knowledge know the facts therein stated?

Mr. SHRIVER. The story was told to me.

The CHAIRMAN. I first ask you, do you of your own knowledge know the facts therein stated?

Mr. SHRIVER. No.

The CHAIRMAN. What is your authority for that statement?

Mr. SHRIVER. A Congressman, member of the House.

The CHAIRMAN. Did he tell you this?

Mr. SHRIVER. Yes; that he was told by this wire-manufacturer.

The CHAIRMAN. What is the Congressman's name?

Mr. SHRIVER. I am requested by the Congressman not to reveal it.

The CHAIRMAN. But we want you to reveal it.

Mr. SHRIVER. He has requested me not to do it. He gave me the story for publication, never thinking anything would come of it. When I spoke to him about having been spoken to by members of the committee in regard to it, he said he did not wish to be brought into the matter, and requested me not to give his name.

Senator LODGE. Do you know the name of the wire-manufacturer?

Mr. SHRIVER. Yes.

The CHAIRMAN. What is his name?

Mr. SHRIVER. The Congressman does not desire me to give that either.

Senator DAVIS. Is the Mail and Express advocating that this investigation be held with open doors?

Mr. SHRIVER. Yes.

Senator DAVIS. This investigation is predicated of this article. You have no excuse not to disclose these names—legal excuse—except that it will criminate you. I do not understand you put your hesitation to answer upon the ground that you will be criminating yourself.

Mr. SHRIVER. Not at all. But it is this: A newspaper man considers, when information is given to him in confidence, he should not violate the confidence.

Senator DAVIS. A newspaper man should consider the law also, and the law says you must make these disclosures, unless they tend to criminate you.

The CHAIRMAN. You say:

> There are a number of Senators who will be glad if this investigation should fail, simply because then they could charge the correspondents with circulating scandalous reports and have another chance to denounce the press upon the floor of the Senate. But if the newspaper men are given a chance to tell all they know some interesting developments will be made.

Did you write that?

Mr. SHRIVER. Yes. You know when a newspaper man is told a thing he is generally supposed to hold the confidence of the man. I have been a newspaper correspondent in Washington for ten years. I think I hold the confidence of a good many members, because I never violated their confidence. I think there are things, if I should give my authority, at times it would lessen me in their opinion and prevent me carrying on my business. And this is a case where I have requested the Congressman to use his name, and he declines to allow me to do it.

The CHAIRMAN. You make the charge in this paper: "If the newspaper men are given an opportunity to tell all they know some interesting developments will be made." How can we make the investigation if you refuse to tell?

Mr. SHRIVER. I can say that the wire manufacturer was in the hotel on two days, March 6 to the 9th, and occupied a certain room, and on the 8th to the 10th of May, the rooms occupied at one time being 47 and 33.

Senator DAVIS. Did he register?

Mr. SHRIVER. He registered one time, I know. Mr. Terrell occupied a room next to him during one of his visits there.

The CHAIRMAN. How did you ascertain that?

Mr. SHRIVER. I ascertained that from the records of the Arlington Hotel. I do not think you will find Mr. Terrell's name on the register of the Arlington; I am not certain about that.

The CHAIRMAN. That does not throw much light on this investigation, the number of the rooms occupied by this undisclosed person, though it might give us a clue as detectives to get at it in an inferential way. Here is a definite statement made by you in print in a paper of large circulation and established reputation, and when we ask you if that statement is made upon your own knowledge, you say no. When we ask you on whose authority it is made, you tell us it is made on the authority of a certain Congressman, whose name you do not disclose.

Mr. SHRIVER. Yes; and another newspaper man.

The CHAIRMAN. Who is the other newspaper man?

Mr. SHRIVER. Harry W. Walker.

The CHAIRMAN. What paper is he correspondent for?

Mr. SHRIVER. The Daily America, of New York, and the St. Louis Post-Dispatch.

The CHAIRMAN. Do you know whether he wrote this matter up?

Mr. SHRIVER. I am not certain. The Congressman told us at the same time. The Congressman further said that the wire manufacturer had come to him the morning afterward, put his hand on his shoulder, called him by name, and said: "There is no use of my staying longer; the tariff bill is dead; I overheard a conversation last night"——

Senator LODGE. The tariff bill, or the Wilson bill?

Mr. SHRIVER. The Wilson bill. "I overheard a conversation in a room last night between sugar men and Senators." I may be mistaken in that report that he mentioned the names of Senators. But he mentioned the name of one Senator, according to the Congressman's account.

The CHAIRMAN. And not Democratic Senators?

Mr. SHRIVER. Yes. Another-named Senator was mentioned; but when asked if he was there, the wire manufacturer said he did not think he was, because he did not recognize his voice. He knew the Senator, I think, but he did not recognize his voice.

The CHAIRMAN. You say here he clearly distinguished the voices of several Democratic Senators whom he knew?

Mr. SHRIVER. I say now that I may be mistaken in that one point, as to his naming Democratic Senators. In the first place, I understood the wire manufacturer to have said it was Democratic Senators.

The CHAIRMAN. Did the Congressman give you the names of the Senators?

Mr. SHRIVER. He gave me one name as mentioned by the wire manufacturer. That is what the Congressman told me. I have mentioned no names in the article.

Senator LINDSAY. When the Congressman told you this, did he know you were going to publish it?

Mr. SHRIVER. I think so.

Senator LINDSAY. Did he tell you this for the purpose of its being published?

Mr. SHRIVER. Yes; as an item of news.

Senator DAVIS. He knew you were a correspondent?

Mr. SHRIVER. Yes.

Senator LINDSAY. Did he ask you at that time not to give his name?

Mr. SHRIVER. Yes; to the best of my recollection.

Senator LINDSAY. Was that in answer to a statement on your part that you expected to publish it?

Mr. SHRIVER. He mentioned that on his part. He did not want to be mixed up in the matter. This thing was mentioned to him. The conversation occurred in March.

The CHAIRMAN. The conversation with you?

Mr. SHRIVER. No; the wire manufacturer.

The CHAIRMAN. When did it occur with you?

Mr. SHRIVER. Thursday; over a week ago.

The CHAIRMAN. Have you seen him since?

Mr. SHRIVER. Yes; several times. I saw him in regard to the matter, and he gave me further details, and told me under no circumstances to mention his name.

Senator LINDSAY. You made this publication implicating Senators in what you intended to be regarded as a dishonorable transaction upon the authority of a Congressman who had enjoined you not to give his name, whose name you agreed not to give, and yet in that same article you challenge investigation by the Senate and state if newspaper correspondents were given a chance some interesting developments would be made.

Mr. SHRIVER. The investigation was not ordered at the time I wrote that article.

Senator LINDSAY. And after you had agreed to do the thing you now state you are under obligations of honor not to do?

Mr. SHRIVER. Yes; unless the man will release me.

Senator LINDSAY. Do you regard it as proper to give out reports that are untrue and slanderous?

Mr. SHRIVER. I regard this as true, given on the word of a Congressman, and I verified the fact that the wire manufacturer was in the house.

Senator LINDSAY. But you did not give the name.

Mr. SHRIVER. No; if I should give the name I would violate the confidence of the Congressman.

Senator LINDSAY. Do you regard that as dishonorable?

Mr. SHRIVER. No; because you can summon the wire manufacturer.

The CHAIRMAN. But the Congressman asked you not to disclose the name of the wire manufacturer.

Mr. SHRIVER. At the present time, yes.

The CHAIRMAN. And you feel in honor bound not to disclose it?

Mr. SHRIVER. Yes.

The CHAIRMAN. But yet you will give us information indirectly that will aid us in getting that name?

Mr. SHRIVER. I think if you get it that way, without my giving it or implicating the Congressman, it would be all right.

The CHAIRMAN. Do you not consider that you are giving us the name when you put us in the way of getting it? Are you observing the obligation that the Congressman imposed upon you when you give us the information that will lead to the ascertainment of the name of the wire manufacturer?

Mr. SHRIVER. I give you the facts on which I found my article.

The CHAIRMAN. What facts?

Mr. SHRIVER. That the man was there. If I had not verified them I do not think I would have published them.

The CHAIRMAN. What did you verify?

Mr. SHRIVER. The fact that the wire manufacturer was there and occupied the room at the time.

The CHAIRMAN. You did not believe the statement. We do not care what rooms the wire manufacturer occupied; we are concerned in your statement here as coming from a wire manufacturer. What did you do to verify that statement?

Mr. SHRIVER. I give you the words of the Congressman, and I tell you the wire manufacturer was in the house at the time, and occupied the rooms down near Mr. Terrell's name.

The CHAIRMAN. I understood you to say that you did not think Mr. Terrell was registered?

Mr. SHRIVER. I do not think any of the gentlemen were registered.

The CHAIRMAN. How can we find out which room he occupied?

Mr. SHRIVER. The way I found out. There are other records.

The CHAIRMAN. What are they?

Mr. SHRIVER. I think that there is a cashier's book that shows.

Senator DAVIS. Did you have access to that?

Mr. SHRIVER. I found out.

Senator DAVIS. How did you find out what room Mr. Terrell occupied?

Mr. SHRIVER. I asked and it was given me.

Senator LINDSAY. You asked whom?

Mr. SHRIVER. The Arlington Hotel.

Senator LINDSAY. The Arlington Hotel is rather an indefinite quantity.

The CHAIRMAN. Might you not as well give us the name directly as to put us in the way of finding out? Would not that be as consistent with your obligation to the Congressman as to give us clues by which we will find it out? Why will not one be as consistent with your obligation as the other?

Mr. SHRIVER. Because the Congressman has asked me particularly not to give his name, and made me promise that I would not give it. I know the numbers of the rooms and the dates, and I understand the wire-manufacturer was there. You can summon the wire-manufacturer direct.

Senator LINDSAY. You consider it no breach of faith to give us the means of finding out the name of the wire-manufacturer, but you think it would be dishonorable to give us the name itself? Is that your idea of honorable conduct?

Mr. SHRIVER. I promised that I would not give the name.

Senator LINDSAY. You are a member of the press, you have a seat in the press gallery of the Senate, you enjoy the benefits resulting from that, and you write these articles implicating the good character of a Senator and decline to give the information upon which you base it?

Mr. SHRIVER. I stated that the information was given me on the authority of a Congressman.

Senator LINDSAY. If we had this Congressman's name, we could summon him and find out what he knows; and if we had the wire-manufacturer's name we could summon him and find out what he knows, and get at the facts, instead of taking newspaper rumors and the statements of a man who declines to give the facts, but publishes articles villifying Senators. I understand you decline to answer the question of the committee?

Mr. SHRIVER. At present; yes.

The CHAIRMAN. Do you wish more time to consider the matter, to consult counsel?

Mr. SHRIVER. I decline to give the name at present, because I have been requested not to do so, not only sometime ago but even to-day.

Senator LINDSAY. Do you regard it as your duty not to do so?

Mr. SHRIVER. As a newspaper man I regard it as my duty not to give the name of the party who informed me.

Senator LINDSAY. Without regard to the law of the case at all?

Mr. SHRIVER. It is part of my business. If I am known around here as a man who violates confidences, I am sure my usefulness as a newspaper man or gatherer of news would cease.

Senator DAVIS. Is that any more grave than to write these articles about Senators and request the opportunity to testify, and then decline to afford the information which you have requested the opportunity to produce?

Mr. SHRIVER. I have given my authority in that article.

The CHAIRMAN. You say in another part of this letter:

The reason a good many Senators do not fear any results from the coming investigation is that precedent in this regard has shown that such investigations rarely amount to anything.

Mr. SHRIVER. I have quoted a couple of investigations that have not.

The CHAIRMAN. Why do they not amount to anything?

Mr. SHRIVER. Because the newspaper men who have been examined have not; well, they have not amounted to anything.

The CHAIRMAN. Why?

Mr. SHRIVER. Because they have not been able to get the facts.

The CHAIRMAN. Do you intend in that sentence to have it implied that the reason such investigations amount to nothing is because newspaper men will not disclose the authority for their statements?

Mr. SHRIVER. I do not know. I think it has been shown that the newspaper men who hitherto have been called have not been able to give the names because they have not been bound—have not been able to give their authority.

The CHAIRMAN. And you mean to imply here—that is the ordinary meaning of what you have said—that the reason why such investigations do not amount to anything is because those conducting them do not intend them to amount to anything?

Mr. SHRIVER. No; because they have not been able to amount to anything; could not get the information they desired.

The CHAIRMAN. You have not stated that.

Mr. SHRIVER. Not by any means. But I think all investigations that have been conducted have been all with a desire to gain something. The particular investigation that I referred to, the executive-session investigation, went on for some time and nothing came of it.

The CHAIRMAN. You say:

They remember how great was the hubbub over the silver pool in the Fifty-first Congress, and how, just when it seemed as if Don Cameron was about to be placed in a very awkward position, the committee adjourned and the next day he was elected U. S. Senator by the Pennsylvania legislature. The investigation did not have any startling results.

What do you mean by that?

Mr. SHRIVER. At the time Senator Cameron was on the stand, just about the time his testimony was being taken, in which some points were being brought out, according to record the committee adjourned and Mr. Cameron was elected by the legislature.

The CHAIRMAN. Do you mean it to be inferred that the committee adjourned for the purpose of allowing Mr. Cameron to be elected?

Mr. SHRIVER. No; I do not mean anything by it; I just state the facts.

Senator LINDSAY. Do you mean it to be inferred that the further investigation was abandoned because Mr. Cameron was elected?

Mr. SHRIVER. No. The article said that nothing came out of it.

Senator ALLEN. Do you think it a part of your duty as a newspaper man when you get hold of a story of that kind which implicates or renders greatly suspected certain members of the U. S. Senate to publish it?

Mr. SHRIVER. On the authority I had.

Senator ALLEN. I asked a plain question. Do you think it is your duty when you get hold of a charge of that kind to publish it?

Mr. SHRIVER. I do.

Senator ALLEN. You also think it proper to state in that article that if the newspaper men were given an opportunity to tell all they know some interesting developments would be made?

Mr. SHRIVER. Well, I have told all I know.

Senator ALLEN. Do you think it proper to make that statement in connection with your story?

Mr. SHRIVER. Yes; if the newspaper men will tell all they know.

Senator ALLEN. Having told the story and made that comment, which intimates so plainly that if an opportunity were given truth would be discovered, you think it is in perfect keeping with that, and also the criticisms of the press on the committee in regard to getting at the truth, to come up here and refuse to give us any assistance whatever in probing this matter?

Mr. SHRIVER. I have given you the story as I got it.

Senator ALLEN. I am not asking you now about your story. I am asking you if you think those three positions are all right, and all right at the same time?

Mr. SHRIVER. I think I have given as much as I know in the story except the name of the Congressman, and I have given you an intimation in regard to the wire-manufacturer by which you can identify him.

Senator ALLEN. You have given everything except the point that will aid the committee in its investigation?

Mr. SHRIVER. I have given aid to the committee. All you have to do is to investigate, and you will find the man's name; it is easy enough.

Senator LINDSAY. Why not give the man's name if it is easy to be found?

The CHAIRMAN. Why would it be certain, if we turned ourselves into detectives and went to the Arlington Hotel and inquired whether a wire-manufacturer had at an indefinite time this spring registered or stayed at that hotel, that that would be the right man?

Mr. SHRIVER. I think the fact that a man was in the hotel at a certain date, in a certain room, would identify him.

The CHAIRMAN. Might it not be some other wire manufacturer?

Mr. SHRIVER. Not in that room.

Senator DAVIS. You went down to the hotel, examined the register, and found a certain name on the register for that room on that day?

Mr. SHRIVER. I knew the name of the wire manufacturer.

Senator DAVIS. You examined the register?

Mr. SHRIVER. I found out the other way before I examined the register. The register goes back to March 30.

Senator DAVIS. Did you see the wire manufacturer's name for that room?

Mr. SHRIVER. I saw a man's name on the register, and I think May 8 to 10.

Senator LODGE. You mean March?

Mr. SHRIVER. No; May, because the register only goes back to March 30.

Senator LODGE. What name was it you read on that book?

Mr. SHRIVER. I got that from the Congressman.

Senator LODGE. Tell us the name that you got on that book?

Mr. SHRIVER. It is the same thing.

Senator LODGE. Tell us the name you read on that book?

Mr. SHRIVER. I think that would be the same thing.

The CHAIRMAN. You say that he registered on the date of May 8?

Mr. SHRIVER. This was the second visit that the man made. The register does not go back of March 30.

The CHAIRMAN. When did this Congressman tell you the conversation occurred?

Mr. SHRIVER. Early in March. He did not recollect, but the record shows that he was there from the 6th to the 9th.

Senator LINDSAY. What record?

Mr. SHRIVER. The hotel record.

Senator LINDSAY. The register?

Mr. SHRIVER. No.

The CHAIRMAN. Whom do you mean, the wire manufacturer?

Mr. SHRIVER. Yes. He occupied a room by Mr. Terrell's, who was there from March 2 to 19.

Senator LINDSAY. These are the private records of the hotel to which you refer, and not the public?

Mr. SHRIVER. No; I do not think they are.

Senator LINDSAY. You live at the hotel?

Mr. SHRIVER. I take my meals there. I have been there for four years.

Senator LINDSAY. Then the only way in which a Congressional committee can get at that is through the good nature of the people there to allow the committee to investigate their private books?

The CHAIRMAN. And then draw the inference, because it would be more or less inference, that the name they acquired was the right name.

Senator LINDSAY. And you think that is putting us on notice how to get the name of the person whose name you decline to give us?

Mr. SHRIVER. Decline at present; yes.

The CHAIRMAN. We would like you to give us the name of that Congressman.

Mr. SHRIVER. I would like myself to do so. Personally, nothing would suit me better, and I thought at first that I could do so.

Senator LODGE. Was this wire manufacturer from New York?

Mr. SHRIVER. No.

Senator LODGE. You say he came from near New York?

Mr. SHRIVER. State near New York.

Senator LINDSAY. How near?

Mr. SHRIVER. Well, between this District and New York.

Senator LINDSAY. New Jersey?

Mr. SHRIVER. No. I do not think I need hesitate; it was Pennsylvania.

Senator LINDSAY. Philadelphia?

Mr. SHRIVER. No.

The CHAIRMAN. Shall we give Mr. Shriver time to consider this matter?

Mr. DAVIS. I think so.

Mr. Edwards appeared with his counsel, Mr. A. J. Dittenhoefer, who requested that he be given until to-morrow morning to examine the authorities, in order that he might advise his client touching his rights; which request was granted.

SWORN TESTIMONY OF HARRY W. WALKER.

The CHAIRMAN. What is your age?

Mr. WALKER. I am 34.

The CHAIRMAN. Where is your residence?

Mr. WALKER. My home is in New York, although I am stationed here.

The CHAIRMAN. And your occupation?

Mr. WALKER. A newspaper man.

The CHAIRMAN. Newspaper correspondent?

Mr. WALKER. Yes.

The CHAIRMAN. For what paper, or papers, are you a correspondent?

Mr. WALKER. The St. Louis Post-Dispatch, Daily America, of New York, and the Wall Street News Agency, a commercial paper.

The CHAIRMAN. In the Mail and Express, of New York, on Saturday, in a letter from Washington, by Shriver, appears the following:

Just here it may be well to give a little incident in the proceedings of the last few weeks in which the sugar trust has taken such a prominent part. The headquarters of the officials of the trust have been in a certain room in the Arlington Hotel. The night the celebrated demand was made on the Democratic Senators that the trust must be cared for or the Wilson bill would be killed, there happened to be in the next room to the sugar-trust parlor a wire manufacturer from a place not far from New York. He had come to Washington to try to induce the Senate Finance Committee to change its schedule in which he was interested, and worn out with his vain attempts to secure an audience with the Democratic "triumvirate" in charge of the bill he had retired to his room. He had hardly sought his bed before the loud talking in the sugar-trust parlor attracted his attention. He tried to sleep, but slumber was impossible. The voices next door grew louder and more violent as the night proceeded. He distinctly distinguished the voices of several Democratic Senators whom he knew and also those of the sugar-trust magnates. It was nearly morning when the conference broke up and the wire manufacturer was allowed at last to fall asleep. He did not, however, remain in bed long after the sun was up, because what he had heard seemed to him too good news.

Have you read that article, that part to which I refer?

Mr. WALKER. Yes; I read it Saturday.

The CHAIRMAN. Mr. Shriver says you were there when that was communicated to him.

Mr. WALKER. Yes.

The CHAIRMAN. Were you?

Mr. WALKER. Yes.

The CHAIRMAN. Where?

Mr. WALKER. At dinner at the Arlington.

Senator LODGE. Did you also publish it in your paper?

Mr. WALKER. No.

The CHAIRMAN. Where were you?

Mr. WALKER. At the Arlington hotel at dinner.

The CHAIRMAN. Was it communicated to you as well as to Mr. Shriver?

Mr. WALKER. We were all around the table together. It was said for the benefit of us all.

The CHAIRMAN. Who was it made the statement?

Mr. WALKER. That I am not at liberty to tell.

The CHAIRMAN. Why?

Mr. WALKER. The gentleman gave it in confidence.

Senator LODGE. Who told you—a member of Congress or the wire manufacturer himself?

Mr. WALKER. A member of Congress.

The CHAIRMAN. Did you see the person who was alluded to here as having his room next?

Mr. WALKER. I do not know him at all. I may know him by sight.

The CHAIRMAN. Did you hear his name?

Mr. WALKER. Yes.

The CHAIRMAN. What is it?

Mr. WALKER. That I do not think I should give.

The CHAIRMAN. Did you publish it?

Mr. WALKER. No; I did not understand that it was given to me for that purpose.

The CHAIRMAN. And you did not feel authorized to publish it?

Mr. WALKER. No; although I have printed statements on that line.

The CHAIRMAN. You did not consider it anything new?

Mr. WALKER. No; it was old in a news sense.

The CHAIRMAN. But you did not consider that the statement that was made upon the authority of which this story has been predicated was for publication?

Mr. WALKER. That I do not know. I can not say positively as to that. I would not have published it without going back and asking this gentleman's permission.

The CHAIRMAN. Were you pledged not to give the name of the gentleman?

Mr. WALKER. Yes.

The CHAIRMAN. And the person who was referred to here as a wire manufacturer?

Mr. WALKER. Yes.

Senator LODGE. You say it was old?

Mr. WALKER. Yes; well, not old in that particular incident, but on that line.

Senator DAVIS. That about the wire manufacturer was not old?

Mr. WALKER. No; I do not think I should have published it on my own authority. I thought as I was printing these charges for the last six months it was not necessary.

Senator LODGE. I would like to ask one or two questions. You say in the same line?

Mr. WALKER. Yes.

Senator LODGE. Will you kindly explain what you mean by that?

Mr. WALKER. I have been printing these sugar articles ever since the bill was in the Ways and Means Committee. I had printed them over my own signature. They came to me direct, and I did not think it was necessary to take this from somebody else, because I thought those who read my articles would take my word, and it was like doubting my word to quote somebody else.

Senator LODGE. By sugar articles what do you mean?

Mr. WALKER. Printing about the trust.

Senator LODGE. Then the part you refer to as old is the statement that there were Senators meeting with the sugar trust representatives?

Mr. WALKER. Yes; I have been printing that time and again.

Senator LODGE. Did you know that of your own knowledge?

Mr. WALKER. I have seen Senators go upstairs with gentlemen who, I was told, were members of the trust, and go to Mr. Havemeyer's room. And one time a Senator's card was sent up. Then people around the hotel where a good deal of this happened know me and told me. I was not in the room.

Senator LODGE. You say you have seen Senators go up there?

Mr. WALKER. A certain Senator particularly.

Senator LODGE. Who was that?

Mr. WALKER. Senator Brice.

The CHAIRMAN. When?

Mr. WALKER. I have seen it repeatedly while the bill was before the Finance Committee.

The CHAIRMAN. Go up where?

Mr. WALKER. In company with Mr. Terrill and Mr. Reed—that is, I have seen them in the elevator—and then, of course, I have questioned other people about the hotel—employés, and talked with Mr. Roessle, the proprietor, and putting this altogether I thought it was a very safe conclusion to reach.

Senator LODGE. That they had this conference?

Mr. WALKER. Yes. Then I have heard little things at the telephone. It is a public telephone. If you are in the office you can not help hearing it. The telephone is at the cigar counter. After the message was sent, these various people would appear immediately.

Senator LODGE. Did you see any other Senators go up with the people of the sugar trust?

Mr. WALKER. No; I saw no other Senator going out in company with Brice. I have heard Mr. Roessle talk about slipping them up the back way, up the elevator.

Senator LODGE. Other Senators?

Mr. WALKER. Yes.

The CHAIRMAN. Who?

Mr. WALKER. Mr. Roessle never went into that.

The CHAIRMAN. Never stated the names?

Mr. WALKER. No.

Senator LODGE. Who is Roessle? What is his full name?

Mr. WALKER. Theodore. Then I have seen Mr. Bennett talk to members of the trust and telephone, and heard them talk and go up stairs; and I have seen Senators come in the ladies entrance, and then I have seen representatives of the trust. I have never said anything of the happenings in the room in any report that I have made, except about Senator Brice. I have mentioned about go-betweens in the trust who would go to Senators, one besides Senator Brice.

Senator LODGE. Who was that Senator?

Mr. WALKER. Senator Vest.

Senator LODGE. Who was the go-between?

Mr. WALKER. Joe Rickey.

The CHAIRMAN. Did you see Mr. Rickey and other members of the trust with Senator Vest?

Mr. WALKER. I have seen Joe Rickey with Mr. Vest, and in a little while go with Mr. Reed or Mr. Terrill and get in a quiet spot and talk. I charged that in the Post-Dispatch. It was stated that it was believed as an absolute fact. I gave my reasons for believing it.

The CHAIRMAN. When did you see Mr. Rickey in company with Senator Vest?

Mr. WALKER. I did not say when, because some time elapsed.

The CHAIRMAN. On how many occasions?

Mr. WALKER. Only one occasion.

The CHAIRMAN. When was that?

Mr. WALKER. At Chamberlin's one night.

The CHAIRMAN. Where?

Mr. WALKER. It was in the public room.

The CHAIRMAN. Mr. Vest and Mr. Rickey?

Mr. WALKER. Yes.

The CHAIRMAN. How long were they together?

Mr. WALKER. I can not say. I was passing through the hall.

The CHAIRMAN. How long afterwards did you see Mr. Rickey—with whom did you say?

Mr. WALKER. Terrill.

The CHAIRMAN. How long afterward?

Mr. WALKER. I could not say; inside an hour, and it may be less; because I remember that night, I think, I went to the telegraph office and was there some time, but when I came back to the Arlington I saw Mr. Rickey.

The CHAIRMAN. You saw Mr. Rickey at the Arlington with Mr. Terrill after having seen him an hour before that with Mr. Vest?

Mr. WALKER. Yes; I have seen Mr. Rickey around the Finance Committee room door.

Senator DAVIS. When was this that you saw Mr. Rickey around the Finance Committee room door?

Mr. WALKER. That I can not remember; it was very early in the history of the bill.

The CHAIRMAN. How long after the tariff bill came over to the Senate?

Mr. WALKER. I do not think it had come to the Senate. It was out of the Ways and Means Committee of the House, and I think during the House debate.

The CHAIRMAN. Do you know that Mr. Rickey represented a match company in St. Louis?

Mr. WALKER. Never heard it; but he represented some interests there, and I knew him all my life.

Senator DAVIS. At the time you saw Mr. Rickey at the door of the Finance Committee room at the time the bill was in the House, had the sugar trust attracted much attention?

Mr. WALKER. Yes; I wrote my first article about Christmas; which article attracted much attention, because I was roundly abused by the New York World about it for the charges that I made against Mr. Cockran.

Senator LINDSAY. Bourke Cockran?

Mr. WALKER. Yes.

Senator LODGE. I understood you to say something about the card of a Senator being sent up to the sugar trust.

Mr. WALKER. I do not know that the card went up there, because I only surmised that.

Senator LODGE. I thought you said that it went up to the sugar trust.

Mr. WALKER. I saw a card go upstairs. I do not even now know the rooms occupied by these men. I surely heard, but I did not carry it in my head.

Senator LODGE. I think you said at the beginning that you saw them go there, and you saw a card sent up to Mr. Havemeyer.

Mr. WALKER. I saw one of the Senators, but I never mentioned his name, as I can not directly show that he went up. In this case Mr. Terrill came down, if I recollect.

Senator LODGE. He may have gone up afterwards.

Mr. WALKER. Mr. Terrill came down to this Senator.

Senator LODGE. Who was that Senator?

Mr. WALKER. I do not like to mention his name.

The CHAIRMAN. I do not see why you should not. It was in the open office of the hotel.

Mr. WALKER. Yes.

The CHAIRMAN. At or near the desk?

Mr. WALKER. Yes.

The CHAIRMAN. Where everybody congregates?

Mr. WALKER. Yes. I should not like to state.

The CHAIRMAN. The Senator had no reason to conceal the fact?

Mr. WALKER. Because he did not conceal it I think it would be a great injustice to mention his name.

The CHAIRMAN. Who is Mr. Terrill? Is he a disreputable man?

Mr. WALKER. He was supposed to be an agent, I know, of the sugar trust.

The CHAIRMAN. He is an agent of interests affected by the tariff? Are not interests affected by the tariff liable to have agents here?

Mr. WALKER. I was told that he was at the head of a speculating syndicate organized to enable people here in Washington to make money, and that he represented it. The simple fact that Senators should be seen with him, I know in Wall street, as a representative of the news agency, would be a piece of financial news, and I was encouraged when I was sent there to keep track of his movements in that line.

The CHAIRMAN. When were you sent there?

Mr. WALKER. To Wall street?

The CHAIRMAN. By what agency?

Mr. WALKER. The Kernan News Agency.

The CHAIRMAN. That was not a publication for the newspapers?

Mr. WALKER. It is a stock ticker. The information goes on the ticker as news.

Senator LODGE. It is the Kernan News Agency?

Mr. WALKER. Yes.

Senator LODGE. Which is very well known?

Mr. WALKER. Yes.

The CHAIRMAN. Not a newspaper?

Mr. WALKER. No. I know that this Mr. Terrill is connected with a very distinguished Democrat in a business way, but I never used that.

The CHAIRMAN. You ought to give that.

Mr. WALKER. I went into the hotel with the Senator, and he had confidence in me, and I would not like to state who he was.

The CHAIRMAN. He made no concealment of the fact?

Mr. WALKER. No.

The CHAIRMAN. Did he ask you not to say anything about it?

Mr. WALKER. No.

Senator ALLEN. How do you expect us to get at the bottom of this if you refuse to give us the names?

Mr. WALKER. I do not think this has anything to do with it.

Senator LODGE. If it has nothing to do with it, why not give the names?

Mr. WALKER. I would not like to have him feel that I brought his name in here.

Senator LINDSAY. That is one of the facts we want to know.

Mr. WALKER. Yes.

Senator LINDSAY. This was one of the two Senators you named?

Mr. WALKER. Yes.

Senator LINDSAY. Do you not yourself raise the inference that he himself has some connection with the trust?

The CHAIRMAN. And you say on this occasion, when this Senator went in with you, you had no reason to think that it had anything to do with this sugar trust?

Mr. WALKER. Of course every newspaper man regards Terrill's movements as significant, knowing that he is here.

The CHAIRMAN. Did the Senator who went in with you send up for Mr. Terrill?

Mr. WALKER. That I can not say. The card went up.

The CHAIRMAN. Whose card; the Senator's?

Mr. WALKER. The Senator's; and the boy came down and said the gentleman would be down.

The CHAIRMAN. Did you wait right there in the rotunda of the hotel?

Mr. WALKER. No. That is one reason why I refuse to say anything about it. Immediately after the boy appeared Mr. Terrill was standing back, and that is the reason why I refuse.

Senator LINDSAY. Where was he standing back?

Mr. WALKER. Standing back toward the barroom of the hotel.

Senator LINDSAY. That is an open passageway?

Mr. WALKER. Yes.

Senator LINDSAY. Where everybody passes back and forth?

Mr. WALKER. Yes.

Senator LINDSAY. Was there anything in the movements of the Senator and Mr. Terrill different from that of two gentlemen who were talking?

Mr. WALKER. I did not notice anything peculiar in their movements. I walked away as if I did not want to see any more.

The CHAIRMAN. That is one of the two occasions on which you have seen Senators with members of the trust?

Mr. WALKER. Yes.

Senator LINDSAY. Did you ever allude to that in your correspondence?

Mr. WALKER. No.

Senator LODGE. Then the only Senator you know by name as coming there frequently is Senator Brice?

Mr. WALKER. I never mentioned but two names of Senators. I may have referred to Senators by name saying that I did not believe such and such a statement made in another newspaper, but the only names I have used were Senator Brice and Senator Vest. I have used Senator Vest's name entirely on instructions from the Post-Dispatch. I refused because I knew they were inclined to be sensational on the subject. I refused to follow up the tariff, and on that ground they took it out of my hands and put it in the hands of the World's bureau. Mr. Pulitzer owns both papers. There was a good deal in regard to Vest that I did not send at all. It was sent by the World's bureau.

The CHAIRMAN. But you had instructions from the Post-Dispatch to connect Mr. Vest and Rickey?

Mr. WALKER. Yes.

The CHAIRMAN. What was the nature of the instructions?

Mr. WALKER. There was something printed in the World, and I got a dispatch to follow up that article in that line. The instructions were reiterated.

Senator DAVIS. I do not understand you to say that you saw Senator Vest at the Arlington?

Mr. WALKER. No; I saw him at Chamberlin's.

Senator LINDSAY. How often were you communicated with by the Post-Dispatch in reference to Mr. Vest and Joe Rickey being connected?

Mr. WALKER. This once particularly and in things I have seen. I

have had one or two dispatches saying: "Keep up that line; send more of it; it is not enough." I remember once I sent a short dispatch and they said something like a few hundred words would be better.

Senator LINDSAY. That is in the line of connecting Senator Vest with Joe Rickey?

Mr. WALKER. Yes.

Senator ALLEN. Did the Post-Dispatch manager seem to have a desire to connect Senator Vest with these transactions?

Mr. WALKER. I do not know. I think the Post-Dispatch was Senator Vest's organ out in Missouri for a number of years. It always claimed to have the credit of sending him to the Senate. Everybody out there knows Joe Rickey's reputation.

Senator ALLEN. Did they manifest a desire to have you connect Senator Vest with these matters when there was no evidence?

Mr. WALKER. Yes. There was an article which appeared written by a member of the staff of the World on Saturday night. The World matter always goes to the Post-Dispatch. This article was written by Dr. Bowen. That was sent out, and that is what interested them. Of course, they asked me to follow it up. In that article the first allusion was made to Rickey and Senator Vest.

Senator LINDSAY. It was after that that you remember seeing Rickey and Senator Vest together at Chamberlin's?

Mr. WALKER. I did not mention Vest and Rickey first by name, but in some conclusions I drew in the Daily America. I started writing up the trust along back before Christmas.

Senator LINDSAY. Did you hear anything that Senator Vest said to Rickey, or Rickey to Senator Vest, in Chamberlin's, on the occasion of which you speak?

Mr. WALKER. No.

Senator LINDSAY. And an hour afterward you saw Rickey with Terrill. Did you hear anything said by Terrill to Rickey or Rickey to Terrill?

Mr. WALKER. No. That was at the Arlington. About the tariff bill, I had heard talks on Wall street. Persons intimated to me about it, intimated that I should keep my eye on two of them.

Senator ALLEN. What was Mr. Rickey's business?

Mr. WALKER. He was known, out in Missouri, as a member of the "third house."

Senator ALLEN. A lobbyist?

Mr. WALKER. I understood it was his profession. He was more or less proud of it.

Senator ALLEN. Has he been a professional lobbyist for years?

Mr. WALKER. Ever since I remember—1870.

Senator ALLEN. Do you know what particular interest he was representing with Senator Vest?

Mr. WALKER. No. I understood that he was speculating. I did not understand that he was lobbying at all.

Senator ALLEN. Did you understand that he was operating with Senator Vest?

Mr. WALKER. That was the supposition, yes. I told that before the Senate met; before Congress met; before the tariff bill came out of the Ways and Means Committee.

The CHAIRMAN. Do you know that Mr. Rickey was operating with Senator Vest?

Mr. WALKER. People told me he had been seen in a broker's office; told me confidentially.

The CHAIRMAN. That who had been?

Mr. WALKER. Rickey; and told me that Rickey had a way of getting information that an outsider would not have.

The CHAIRMAN. This broker told you?

Mr. WALKER. No; I heard it out on the street.

The CHAIRMAN. Who told you?

Mr. WALKER. I heard a man say outside on the same day in the same connection that Mr. Keene had an idea of employing him in regard to tariff legislation.

Senator ALLEN. Who is he?

Mr. WALKER. One of the big men of Wall street. He was supposed to be a broker of the sugar trust. I was told so anyhow. He is a big proprietor of the sugar trust.

Senator LODGE. To return to your not publishing that because it was on the old line that you were following. That old line, as I understand from your testimony, was simply that you had been showing the connection between the sugar trust and certain Senators?

Mr. WALKER. Well, to go back to it and give you my reasons. These were simply little things; what you would call tracking a person for news. The Post-Dispatch came out with an article charging a member of the Ways and Means Committee with getting up and stating that he was Mr. Havemeyer's attorney, and making a speech in favor of what the trust wanted. I advised against the publication of the article. It created a great sensation in New York. I made the statement on the direct statement of a member of the Ways and Means Committee, and sent a newspaper man to another member of the Ways and Means Committee and he confirmed it. I gave the facts and told them not to use my name. Naturally the member was indignant, and came to me and said it was not true; that he was Mr. Havemeyer's attorney in other matters legitimate; that he told Mr. Havemeyer that he could not expect him to do anything that would be in the interest of the Democratic party. This member told me that he went so far as to say that a man very high in the administration, who had something to do with the making of the tariff bill, had told him that the sugar trust had made large contributions to the campaign fund, and asked him to do what he could, and he felt that he ought to do it.

Senator LODGE. The person whom you are now quoting is a member of the House and Mr. Havemeyer's attorney?

Mr. WALKER. He had been employed by him.

Senator LODGE. He denied it to you; but this is the one from whom the story came?

Mr. WALKER. Yes. He gave me a lot of information about the trust and what they expected. Naturally that was the basis of my information. The paper I represented was the organ of Tammany Hall, and I knew they fought the trust bitterly some years ago. I knew from what the editor informed me in numerous dispatches that they were very anxious to follow it up. Then the editor gave me the same information that this gentleman did. I do not know where he got it, of course. I showed this gentleman a number of dispatches, and he said they were correct.

Senator LODGE. That, you say, was the beginning of your interest in regart to the sugar trust in connection with the tariff?

Mr. WALKER. Yes. Naturally, the paper having gone into it and having made a newspaper business hit, it was anxious to keep it up

Senator LODGE. Have you followed the bill since it came over to the Senate?

Mr. WALKER. Yes; ever since. To-day I have something.

Senator LODGE. Have you published any statements that the sugar trust have had influence in making up the tariff bill?

Mr. WALKER. Several times.

Senator LODGE. On what basis?

Mr. WALKER. All my opinions were based on what this member of the Ways and Means Committee told me and common talk around the press gallery.

Senator LODGE. Who was that member?

Mr. WALKER. Mr. Cochran. Then I knew he told me another thing. I saw a report in an afternoon paper that Mr. Edwards made the same statement here. I asked Mr. Cochran about it, and he said that was Mr. Havemeyer's contribution to the antisnappers.

The CHAIRMAN. Mr. Edwards made no such statement here.

Mr. WALKER. The Star this afternoon states it. I knew that that was a fact.

Senator LODGE. You have been following up that line, as I understand it, since the bill has been here?

Mr. WALKER. Yes.

Senator LODGE. Based on the statement of Mr. Cochran?

Mr. WALKER. Yes. Of course, I watched developments and drew my own conclusion. Most all I have said I have given my reasons for, believing the things that were printed over my own signature.

Senator LODGE. And the only reason you have given here for understanding that the sugar trust are in communication with other Senators was seeing Senators at the hotel.

Mr. WALKER. I have seen Senator Brice taking them over to New York and things like that. A gentleman very intimate with Senator Brice told me that the Senator had made a large amount of money out of sugar speculation, and I have seen him around the Arlington.

Senator LINDSAY. Who told you that?

Mr. WALKER. That I can not tell you. He was a newspaper man.

The CHAIRMAN. Did he say he knew it, or only suspected it?

Mr. WALKER. No. This man had given me several times information, and I knew he was a speculator himself. He had given me information about Senators, and I knew he was in Mr. Brice's confidence; and when I would advise my Wall street concern that such a thing was going up or down, it always turned out that way. I naturally concluded that this man was a valuable man, so far as sugar stock was concerned.

The CHAIRMAN. You mean that was in your own speculations?

Mr. WALKER. No; my telegrams to Wall street. Of course, they go on what the information is here regarding the interests affected by the tariff.

The CHAIRMAN. Now, you have made a statement with regard to Senator Brice and Senator Vest; the name of the Senator with whom you walked into the Arlington that day or evening and met Mr. Terrill you decline to give.

Mr. WALKER. Yes.

The CHAIRMAN. It was neither Senator Brice nor Senator Vest?

Mr. WALKER. I saw another Senator. When I said Senator I meant several. I knew I had seen more than one. At this moment I can mention a third Senator, but he lives there.

The CHAIRMAN. Who was that?

Mr. WALKER. I have seen him with one member of the sugar lobby,

but I did not attach much importance to it. I supposed he knew what was going on. I asked him for information.

The CHAIRMAN. Who was the Senator?

Mr. WALKER. Senator Aldrich.

The CHAIRMAN. He lives at the hotel?

Mr. WALKER. Yes; I never attached much importance to it. I saw him with Mr. Reed.

The CHAIRMAN. Who is Mr. Reed?

Mr. WALKER. He is from Boston.

The CHAIRMAN. What has he to do with the sugar trust?

Mr. WALKER. I understand that he is one of the largest stockholders.

Senator ALLEN. Is he an officer of some of these sugar-refining companies?

Mr. WALKER. I have often heard his name.

The CHAIRMAN. So long as you are stating names, mention all the names. I suppose Senators have a right to go to the Arlington Hotel. Tell us the names of all the Senators whom you have seen in contact with, or in communication with, members of the sugar trust in any way?

Mr. WALKER. I shall have to decline that with regard to the other Senator, because I am under obligations for a good deal of information from him.

The CHAIRMAN. From whom?

Mr. WALKER. The Senator whose name I decline to give.

The CHAIRMAN. Are those the only ones? I think you have mentioned three, and this one whose name you decline to give makes four. Are there any others whom you have reason to suspect as having improper relations with members of the sugar trust?

Mr. WALKER. Knowing I would not print it, I never like to make a statement that I have not good reason for; I would not say. I have seen brokers around, and people have told me about people speculating. My Wall street concern I have to keep posted on that. I have to say that a Senator bought so much sugar stock on the information of the broker, but I never mention the name.

Senator ALLEN. I want to do all I can to facilitate this investigation. I think we had better dismiss this witness at this time and recall him later. There are some matters I think we ought to consider before adjourning.

Senator LINDSAY. Allow me to ask a question right there. This Senator whose name you decline to give you say you are under obligations to for information?

Mr. WALKER. Yes; about things generally; but I never printed his name.

Senator LINDSAY. What sort of things?

Mr. WALKER. Nothing that would be improper. But he has given me information that he would not, I suppose, give every newspaper man.

Senator LINDSAY. Given you information about executive sessions?

Mr. WALKER. No; never asked him about that.

Senator LINDSAY. Given you information that affects the standing of his brother Senators.

Mr. WALKER. No; but he has given me information about certain news in the Senate; what is likely to be done—more generally about future movements; nothing that was not legitimate news.

Senator LINDSAY. And you never saw anything in his conduct at the Arlington that was not perfectly consistent with good conduct?

Mr. WALKER. No.

Senator LINDSAY. Why not give his name?

Mr. WALKER. Because it might be taken in a way in which it was not intended.

Senator ALLEN. Does this Senator board at the Arlington?

Mr. WALKER. No.

Senator ALLEN. Where does he board?

Mr. WALKER. He keeps house.

Senator ALLEN. Has his family here, does he?

Mr. WALKER. Yes.

Senator ALLEN. What State is he from?

Mr. WALKER. I might just as well tell you the name.

Senator ALLEN. I suppose you know we are entitled to answers to these questions that we are asking?

Mr. WALKER. When I went into journalism I learned that it was my duty to treat with honor the man who gives me information.

Senator ALLEN. There is but one excuse for you not giving the names, and that is that your answers might tend to criminate you; otherwise we are entitled to your answer.

Mr. WALKER. I do not think this gentleman's name has anything to do with it.

Senator LINDSAY. The very fact that you conceal it is susceptible of the construction that he has.

Senator LODGE. In regard to the statement about that meeting which was referred to in the article of the Mail and Express, did you know of that meeting from any other source?

Mr. WALKER. No.

Senator LODGE. You said you did not print it because it was old matter?

Mr. WALKER. Yes; because I had heard of these meetings. The way it came about I do not mind telling. We were discussing Mr. Edwards's desire to publish it, and we said there was nothing new about it, except about some brokers getting the proofs of the amendment, and a talk in that line.

The CHAIRMAN. Who said there was nothing new in it?

Mr. WALKER. We all agreed that there was nothing new in it, except that statement; and then we referred to another statement which was made, and which we thought was accurate. That was the statement that Senator Smith was in the room; and then this Congressman told us this story. And then he said, I believe, this same thing. It happened about the same time. He said, I remember particularly, asking if Senator Smith was in the room, and he said he was not. This man was a friend of the Congressman, and he was satisfied that that part of Edwards's article was erroneous.

Adjourned until to-morrow, the 25th instant, at 10 o'clock.

WASHINGTON, D. C., *May 25, 1894.*

The committee met pursuant to adjournment.

Present, the chairman (Senator Gray) and Senators Lindsay, Davis, Lodge, and Allen.

Mr. SHRIVER. May I make an explanation before you ask me any questions?

Before I was subpœnaed I asked whether I would be. You said that it had not been determined. Then it was that the Associated Press men came to me and asked me *what I would testify* to. Then I had a

conversation with Senator Lodge, and on that is founded the story that is published this morning. I have not violated the confidence of the committee.

I also wish to say that I see it published that Mr. Walker testified that he did not get permission to publish the article that I did. The conversation was given to us at the same time, but Mr. Walker left us before the story was finished. I asked the Congressman if I could use the information, and got his permission to do so, but with the understanding that I was not to use his name, because he did not wish to be mixed up in the matter. So that Mr. Walker was not present when I got the permission.

The CHAIRMAN. When you left the committee room last night, you had been asked who your authority was for the statement which you made in your letter to the Mail and Express, published on Saturday last, in regard to a conversation between certain members of the sugar trust and certain Senators, which conversation was overheard in a room at the Arlington Hotel. You said that you could not answer it then, and you asked until this morning to consider whether you would answer the question. What have you to say now?

Mr. SHRIVER. I have consulted counsel in the matter and have been advised not to say anything at present, not until I get permission.

The CHAIRMAN. Then you definitely decline this morning to tell the committee who it was told you the story that was published by you in the Mail and Express in its issue of Saturday last, and to which your attention was directed on yesterday.

Mr. SHRIVER. I do at present, because I have been asked not to do so.

The CHAIRMAN. Then you do definitely decline?

Mr. SHRIVER. Yes; I decline, because I have not seen my counsel within two hours, and he advised me to decline until I had seen him.

The CHAIRMAN. Do you decline also to give the name of the person who was alluded to in that letter as the wire manufacturer.

Mr. SHRIVER. Yes, I do.

Senator ALLEN. On what ground do you decline to answer these questions?

Mr. SHRIVER. Decline, because I would violate the confidence reposed in me, which would involve my entire reputation as a newspaper correspondent.

Senator ALLEN. That is the only ground on which you decline?

Mr. SHRIVER. And on the ground that it would degrade me. I promised not to give this man's name.

Senator ALLEN. And those are the only grounds?

Mr. SHRIVER. There may be others; I do not know until I see my counsel.

Mr. EDWARDS reappeared and stated that he had obeyed the instructions of the committee absolutely not to make public the statements he had made before the committee; whereupon he was further examined.

The CHAIRMAN. Now, Mr. Edwards, when you left the room on yesterday it was for the purpose of consulting your counsel and making up your mind, after having consulted him, whether you would answer the question that was propounded to you by the committee, which question was—who gave you the information upon which you made the statement that the Secretary of the Treasury, Mr. Carlisle, made a secret visit to the Democratic members of the Finance Committee some time in February, and while there made a certain appeal to them? all of

which was read to you as from your letter to the Philadelphia Press, published May 14, 1894. The question is now repeated.

Mr. DITTENHOEFER. I have instructed Mr. Edwards not to answer, and I raise certain objections. The first objection is that the question relates to a subject that was not referred to the committee, as the resolution on its face shows. The second objection is that the resolution does not show on its face that it is intended for any purpose of legislation or with regard to any matter within the jurisdiction of the Senate to inquire into. My third objection is that the question has no relevancy to the jurisdiction that the Senate has to punish its members for disorderly conduct, nor to the jurisdiction of the Senate to compel the attendance of absent members, nor to the jurisdiction of the Senate to determine as to the election or qualification of its members, nor to the jurisdiction of the Senate to try cases of impeachment. Those are the only matters in which the Senate has power to compel a witness to testify, if the result of his refusal places him in contempt.

My next objection is that the question solicits information that is utterly unnecessary. It is unimportant for the committee, for the purpose of arriving at the truth of the alleged charge, to ascertain who informed Mr. Edwards. The question before the committee is whether the charge is true or false, not who gave the information. As to whether it is true or false, the information can be obtained from the Secretary of the Treasury and from the members of the Finance Committee. Suppose they admit it, it would not be necessary to get the name of the informant; if they deny it, it would be equally unnecessary. An answer to the question may have a tendency to bring about criminal prosecutions against the witness.

Lastly, being a newspaper man, the witness is under honorable obligations not to disclose the source of his information, because if he violated that obligation of honor it would degrade him in the estimation, not only of members of his own profession, but of the entire community.

The objections made by the witness under instructions of his counsel were overruled, and the witness was directed to answer.

Mr. EDWARDS. I shall have to follow the advice given by my counsel, and for the reasons set forth decline to answer.

The CHAIRMAN. We ask you again who was your informant that Mr. Carlisle, after having made that statement, turned and left the committee room, going away with that secrecy with which he came, but before he did so signified his willingness himself to prepare an amendment which he thought would be fair to the Government and yet be just to the sugar interests?

Mr. EDWARDS. As I stated yesterday.

The CHAIRMAN. And you decline to answer.

Mr. EDWARDS. For the same reasons.

The CHAIRMAN. Who is your informant that when the bill was before the subcommittee of the Finance Committee of the Senate some of the officers and managers of the sugar trust established themselves in Washington, being in New York a part of the time and at Washington at frequent intervals, upon one occasion there were gathered in a room in a Washington hotel Mr. Havemeyer, Senator Brice, Senator Smith, of New Jersey, Brice's Terrell, and one other man, whose name it may be worth while to withhold for the present?

Mr. EDWARDS. The same informant.

The CHAIRMAN. And you decline to answer?

Mr. EDWARDS. For the same reasons.

The CHAIRMAN. Who is your informant that on the very day that Mr. Voorhees, the chairman of the Finance Committee, denied in the Senate that any amendments were proposed to the Senate's bill as originally reported by the Finance Committee, the list of some 400 amendments, as prepared by Senator Jones, was in the hands of one of the members of the brokerage firm of Moore & Schley?

Mr. EDWARDS. The same informant.

The CHAIRMAN. And you decline to answer?

Mr. EDWARDS. Under the advice of counsel.

The CHAIRMAN. Who informed you that upon the Sunday before the bill as first reported was sent to the Senate there was a striking illustration of the absolute domination of the sugar trust over the Democratic members of the Finance Committee; that that was an all day and half the night session and upon the Sabbath day; that in one room were the Democratic members of the Finance Committee, and in one wing of the Capitol were the representatives of the sugar trust, Havemeyer and Terrill, and Meyer and Ben Le Fevre and others; that these men sat as the rulers of a political convention sit, in a place apart, and yet within instant communication of those who are to act; that there were runnings back and forth between the Finance rooms and the quarters occupied by the trust all day; that everything had been arranged up to the point of satisfying the Louisiana Senators; that even the trust realized it was necessary for the Democratic party to placate these Louisiana men or else there would surely be two votes against the bill; that it was a question of compromise, each side giving a little and taking a little; that at one time it seemed as if the whole negotiation must go to pieces; that never was there more desperate battle between conflicting interests in the committee rooms of the Capitol; that at last, late that evening, Senator Caffery drafted a schedule, Mr. Havemeyer looking over his shoulder, and the other members of the sugar trust watching the Senator with eyes that fairly glittered, as one Senator who saw that spectacle afterwards expressed it; that it was a crucial moment; that when Senator Caffery had finished, the sugar trust read his draft, reluctantly accepted it; it was taken to the room of the Finance Committee, and there accepted?

Mr. EDWARDS. The same informant.

The CHAIRMAN. Who was it?

Mr. EDWARDS. I decline to answer, under advice of counsel.

The CHAIRMAN. Who was the Senator who mentioned the looking over the shoulder of Senator Caffery?

Mr. EDWARDS. I think I stated yesterday that that Senator was not mentioned. I do not know who he was.

Senator ALLEN. This informant whose name you refuse to give gave you liberty to publish these things which you have published in your letter?

Mr. EDWARDS. I understood that was the expectation. I do not think there was any formal statement.

Senator ALLEN. And you were sent to him by Mr. Bradford Merrill, the editor of this paper?

Mr. EDWARDS. No; not the editor of the Philadelphia Press, but of the New York Press.

Senator ALLEN. You were sent to this man for the express purpose of getting this information?

Mr. EDWARDS. Yes.

Senator ALLEN. And you got all the information about Mr. Carlisle

and the members of the Finance Committee, and all the information of the members of the sugar trust in the Capitol?

Mr. EDWARDS. He gave all this information.

Senator ALLEN. And upon the information of that man, and that man alone, you base these charges?

Mr. EDWARDS. That is correct.

Senator ALLEN. Now you refuse to give the name of the man who informed you?

Mr. EDWARDS. Under the advice of counsel.

Senator ALLEN. Do you know his name?

Mr. EDWARDS. I know the name by which he was introduced to me.

Senator ALLEN. Is he here in the Capitol now?

Mr. EDWARDS. I will not say he is in the Capitol, because I do not know. He is in Washington.

The CHAIRMAN. Have you seen him since you were here last?

Mr. EDWARDS. I have not.

Senator ALLEN. Do you know his street and address?

Mr. EDWARDS. I do not.

Senator ALLEN. Do you know the capacity in which he is laboring here under the Government?

Mr. EDWARDS. I am not sure about that.

Senator ALLEN. You could identify him if you chose?

Mr. EDWARDS. I could indentify the gentleman if I saw him, and identify the name under which I was introduced to him. But I never saw him before.

Senator ALLEN. And your failure now to give his name is not in consequence of not knowing his name?

Mr. EDWARDS. No, not because I have any doubt about the name by which he was introduced was his real name.

Senator ALLEN. You believe that these statements which he gave you reflected the truth?

Mr. EDWARDS. My conviction is that they are true; that is, that he believed them to be true.

Senator ALLEN. And you believed them to be true?

Mr. EDWARDS. Simply on his statement.

Senator ALLEN. And with that view of the facts you refuse to divulge his name?

Mr. EDWARDS. On the advice of counsel.

Senator ALLEN. On the statement that you refused to give his name and with the instruction that you are protected only on the ground that it would criminate you, you still refuse?

Mr. EDWARDS. I would on that ground alone, without advice of counsel.

I would like to ask the committee whether that is all?

The CHAIRMAN. Have you any other statement you would like to make?

Mr. EDWARDS. I suppose the committee will take some other action. I have received news of the illness of my mother and also a request from the editors of my paper. Could I be excused until Monday? I would like to consult with the editors, Mr. Merrill and Mr. Smith, of the Philadelphia Press. It may be that they will advise me to take other steps.

Senator ALLEN. Did Mr. Merrill give you a letter of introduction to this other man?

Mr. EDWARDS. No; he did not.

Senator ALLEN. He simply advised you to approach him?

Mr. EDWARDS. I will be frank with the committee, and say that Mr Merrill communicated with the gentlemen and said that I would call.

Senator ALLEN. By letter?

Mr. EDWARDS. By wire.

Senator ALLEN. Did you see the communication?

Mr. EDWARDS. I did not; I only know that Mr. Merrill told me that he had communicated.

Mr. SHRIVER was recalled.

The CHAIRMAN. We have given you the opportunity to ask advice of your counsel, and we now renew the question that was asked on yesterday and which you declined to answer. That question was, who informed you of the facts stated in your letter to the New York Mail and Express published on last Saturday?

Mr. SHRIVER. Under advice of my counsel I formally decline to answer.

The CHAIRMAN. What is the name of the so-called iron manufacturer alluded to in that letter?

Mr. SHRIVER. Under the advice of my counsel I formally decline to answer.

The CHAIRMAN. That is your definite and final answer?

Mr. SHRIVER. Yes.

SWORN STATEMENT OF SENATOR DONELSON CAFFERY.

The CHAIRMAN. You are a Senator from the State of Louisiana and have been such during this session of Congress?

Senator CAFFERY. Yes.

The CHAIRMAN. Mr. Edwards, the author of an article published in the Philadelphia Press of May 14, 1894, has been before the Committee and has been examined in regard to the several statements made in that article, having read the statements wherein Senator Caffery is referred to in the article. This gentleman who wrote this letter, as I have said, has been before the committee and he has been asked with regard to that statement. He says he does not know it of his personal knowledge, but declines to give the name of his informant. We would like to hear anything you have to say in regard to it. Have you ever seen that letter before?

Senator CAFFERY. I have never read that before, nor have I seen it. Do you wish my answer to this whole article, or do you wish to interrogate me?

The CHAIRMAN. We wish your statement as to every matter of fact alleged there to be within your knowledge, if it be true to your knowledge.

Senator CAFFERY. In so far as any part of this statement connects me with any conference with the men named here as belonging to the sugar trust, Havemeyer, Terrell, and Meyer, whom I do not know, nor have I ever seen—Mr. Le Fevre I do know casually—in so far as it connects me with any conference with these people, it is unqualifiedly false. In so far as the statement makes me the draftsman of a schedule which Mr. Havemeyer accepted, and who when I wrote it was looking over my shoulder, that is unqualifiedly false. I had no conference with Mr. Havemeyer nor anyone of the sugar trust.

The CHAIRMAN. Were you present in a room with the Democratic

members of the Finance Committee on a Sunday about that time before they reported the bill to the Senate?

Senator CAFFERY. I do not know whether it was a Sunday or some other day; but I had frequent conferences with the Finance Committee, or the subcommittee of the Committee on Finance.

The CHAIRMAN. Is sugar-growing an interest in your State?

Senator CAFFERY. It is.

The CHAIRMAN. Have you as a Senator of the United States been representing that interest to the Finance Committee?

Senator CAFFERY. I have.

The CHAIRMAN. Do you recollect any transaction in your visits to the Finance Committee or the Democratic members of the Finance Committee like the one stated in that article?

Senator CAFFERY. I do not. I not only do not recollect any, but none ever occurred.

Senator DAVIS. Did you at any time draft the schedule or paper attributed to you in that article?

Senator CAFFERY. I did not.

Senator DAVIS. Did you draft any for the use of the committee?

Senator CAFFERY. No; not for the use of the committee.. I did present schedules for the use of the committee, but they were not drafted by me, but by Louisiana planters who were here.

The CHAIRMAN. Did you have conferences with these Louisiana sugar people?

Senator CAFFERY. I did; frequent, constant. They were here for weeks, months, and I was always in consultation with them.

Senator DAVIS. Then the statement that you were in some room in this building, the Finance Committee room, and there were frequent comings and goings in reference to the sugar schedule, is not true?

Senator CAFFERY. Not true.

Senator DAVIS. You say you do not know Mr. Havemeyer?

Senator CAFFERY. I do.

The CHAIRMAN. You say you do?

Senator CAFFERY. I say I do know him. Terrell and Meyer I do not know. I have seen Havemeyer in the city of Washington.

Senator LODGE. At the Capitol?

Senator CAFFERY. I met him one day going out of the east entrance of this Capitol.

The CHAIRMAN. Were you introduced to him.

Senator CAFFERY. I was introduced to him?

The CHAIRMAN. Did you recognize him as a man interested in sugar products?

Senator CAFFERY. I did not.

Senator DAVIS. Did you ever have any conference with Mr. Havemeyer at any time or place at the time you drafted any sugar schedule?

Senator CAFFERY. First, I never drafted any sugar schedule. I did have a conference with Mr. Havemeyer once.

Senator DAVIS. When was that?

Senator CAFFERY. Perhaps two or three weeks before the Senate Finance Committee reported the specific sugar schedule.

Senator ALLEN. The specific sugar schedule?

Senator CAFFERY. Yes.

Senator DAVIS. Where was that?

Senator CAFFERY. At Senator Brice's house.

Senator DAVIS. What was the subject of the conference?

Senator CAFFERY. The subject of the conference was—it was not

any conference, if you please. I was asked to see Mr. Havemeyer. He commenced an argument in favor of the ad valorem rate on sugar in preference to the specific rate, and a number of figures were produced to show, or attempt to show, the correctness of his argument.

Senator DAVIS. Did you and he come to an agreement at that conference, or did you differ?

Senator CAFFERY. I expressed no opinion; I had very little to say. I had a very decided opinion that the specific rate was better for the producer, which opinion I entertain now.

Senator LODGE. Then there was a controversy between you and Mr. Havemeyer, from the refiner's standpoint and on your part from the producer's standpoint?

Senator CAFFERY. Exactly. We did not agree in opinion at all upon that point.

Senator LODGE. As to the proper form which the sugar schedule should take?

Senator CAFFERY. Yes.

The CHAIRMAN. Did you ever see Mr. Havemeyer at any other time or place?

Senator CAFFERY. I had but a short conversation with him; it did not last over fifteen minutes. That was at this house of which I speak. On another occasion I met Mr. Havemeyer as he was going out of the east entrance of the Capitol.

The CHAIRMAN. Making two occasions altogether?

Senator CAFFERY. Yes.

Senator LODGE. Did you have a conversation with Mr. Havemeyer the second time?

Senator CAFFERY. Yes.

Senator LODGE. On the same points of difference?

Senator CAFFERY. Yes.

The CHAIRMAN. What was the difference?

Senator CAFFERY. From his talk, Mr. Havemeyer was very much incensed at the adoption by the committee of the specific schedule. I say incensed; that, perhaps, is a little too strong. But he was very much put out by the adoption of the specific schedule of 1.38½ maximum schedule.

Senator DAVIS. That schedule you did not draw?

Senator CAFFERY. No; it was drawn by a member of the Louisiana delegation.

Senator LODGE. Was it the schedule that you submitted?

Senator CAFFERY. No; not the schedule I submitted. It was a schedule adopted by the subcommittee of its own volition.

The CHAIRMAN. How long did this conversation of which you speak, at the entrance of the Capitol, last?

Senator CAFFERY. I suppose for not more than two or three minutes.

Senator LODGE. Then, as I understand it, I want to get the dates, the first conversation with Mr. Havemeyer was before the report of the first schedule?

Senator CAFFERY. Yes.

Senator LODGE. And the second conversation was subsequently?

Senator CAFFERY. Subsequently.

Senator ALLEN. Will you fix the date, as nearly as you can, of these two interviews?

Senator CAFFERY. I suppose the interview that I had with Mr. Havemeyer at Senator Brice's was some two weeks or three weeks prior to the adoption by the Senate Finance Committee of the specific schedule.

Senator ALLEN. Of the first amendment?

Senator CAFFERY. Commencing at a cent a pound on sugar and running up to 1.28½. I suppose it was two weeks.

Senator ALLEN. And the other was?

Senator CAFFERY. The other was a day or two after. I think it was a morning or two after.

Senator LODGE. After the report of the schedule?

Senator CAFFERY. After the report of the schedule. It was very short.

Senator ALLEN. At the interview at Senator Brice's house did you meet any other Senators besides Senator Brice?

Senator CAFFERY. Yes; there were a number of Senators there.

Senator ALLEN. Who were they?

Senator CAFFERY. My then colleague, Senator White, who perhaps—well, he was there. I think Senator Hill was there. I do not remember whether Gorman was there or not, but I think he was.

Senator LODGE. Were any members of the Finance Committee there?

Senator CAFFERY. There were not. We met there by invitation of Senator Brice to talk over these matters.

Senator LODGE. The general legislation on sugar was talked over there, was it?

Senator CAFFERY. It was.

Senator LODGE. What was, briefly, the claim of Mr. Havemeyer?

Senator CAFFERY. Mr. Havemeyer did not meet any of those gentlemen but myself. I was requested to see Mr. Havemeyer, who happened to be in the House.

Senator LODGE. He was not in the room with these others?

Senator CAFFERY. He was not in the room with these other gentlemen.

Senator LODGE. Was this conversation held in Senator Brice's presence?

Senator CAFFERY. It was not; it was between me and Mr. Havemeyer.

Senator LODGE. Give briefly all he claimed or all he desired in reference to sugar.

Senator CAFFERY. So far as I understood the argument of Mr. Havemeyer, it was that an ad valorem rate of 40 per cent upon the raw sugars and 50 per cent upon the refined sugars above 15 Dutch standard was the best possible schedule upon which to levy a tariff on sugar.

Senator LODGE. What did he, Mr. Havemeyer, say in that conversation?

Senator CAFFERY. He cited the prices of sugar and claimed that the Germans raised sugar so cheap and gave an export bounty amounting to perhaps 10 per cent—something in that neighborhood; that the differential tariff was necessary to protect the refiners. He was arguing from the refiners' standpoint, and his argument was an attempt to convince me that that standard was more favorable to the producers than a specific rate.

Senator LODGE. Did you understand from Mr. Havemeyer that he had conversed with any members of the Senate Finance Committee?

Senator CAFFERY. I did not.

Senator LODGE. On the second occasion, when you met Mr. Havemeyer at the east end of the Capitol, did you ascertain where he had been?

Senator CAFFERY. I did not. I did not know and did not ask him.

Senator LODGE. Do you know whether he was ever before the Finance

Committee or the subcommittee of the Finance Committee appointed to consider that question?

Senator CAFFERY. Never was when I was before them, nor do I know that he was before them.

Senator LODGE. You never met any of these gentlemen in the Capitol building on the Sabbath day as described in this article?

Senator CAFFERY. Never met any of them in the Capitol. The only time I met Havemeyer was when he was going out.

Senator LODGE. And you know nothing of the negotiations?

Senator CAFFERY. No; nothing except that it did not take place.

Senator LINDSAY. Was there anything in this conversation of Havemeyer with you outside of the usual course of conversations with which parties are here attempting to influence legislation?

Senator CAFFERY. Nothing whatever. It was a pure argument from his standpoint.

Senator LINDSAY. To convince you that his theory was better for both sides than yours?

Senator CAFFERY. Yes.

The CHAIRMAN. Was there anything improper in his argument, anything that should not have been heard by members of the Finance Committee?

Senator CAFFERY. Not at all.

The CHAIRMAN. Was there anything in his manner that differed from the manner of those who represented other protected interests?

Senator CAFFERY. I could see nothing improper whatever in Mr. Havemeyer's argument, and nothing that could not be stated with perfect propriety either before the Finance Committee, the Senate, or anywhere else. It was an argument presenting his side of the case.

Senator DAVIS. You have been in the city for the last month, every day?

Senator CAFFERY. I have; yes.

Senator DAVIS. This article appeared on the 14th of May last. Before it appeared did any newspaper correspondent ever go to you to ascertain the fact in regard to this matter?

Senator CAFFERY. I have no recollection of it. I have no recollection of any newspaper correspondent asking me in reference to the truth or falsity of that statement.

Senator DAVIS. You never saw the statement until to-day?

Senator CAFFERY. Never until to-day.

Senator ALLEN. You never gave any information upon which this article was predicated?

Senator CAFFERY. I did not.

Senator LODGE. Then this story that there was a meeting here on Sunday where there was a protracted struggle over the sugar schedule between representatives of the sugar trust and members of the Finance Committee, at which you were present, is absolutely false.

Senator CAFFERY. Absolutely false.

Senator LODGE. No meeting such as that ever occurred, to your knowledge?

Senator CAFFERY. None ever occurred.

Senator LODGE. You were never present here with the Finance Committee on Sunday?

Senator CAFFERY. I believe I was one Sunday. I think I slipped in there one Sunday.

Senator ALLEN. What members of the Finance Committee were there?

Senator CAFFERY. The Sunday that I was there I think it was Senators Vest and Jones.

Senator ALLEN. Was there any other Senator there?

Senator CAFFERY. I think it was Sunday, but I do not know when you ask for days and dates.

Senator ALLEN. Did you see any other person there except those two?

Senator CAFFERY. I do not remember seeing anyone else.

Senator ALLEN. Any employés?

Senator CAFFERY. There was a clerk there.

Senator ALLEN. Do you recall the man's name?

Senator CAFFERY. A man by the name of Durfee.

Senator ALLEN. Do you recall whether he went out of the Finance Committee room while you were there?

Senator CAFFERY. I do not know whether I entered that room or not. I wanted to see Mr. Jones in regard to something—in regard to these specific schedules, to explain. I submitted a schedule different from the one they reported.

The CHAIRMAN. By whom was that drawn?

Senator CAFFERY. That was drawn by either John Diamond, or a young gentleman who is a big grower in Nebraska by the name of Leavitt, quite an expert in figures. This schedule had been submitted to a number of these gentlemen and they had all agreed to it.

Senator LINDSAY. The planter gentlemen?

Senator CAFFERY. The planter gentlemen. Of course I am speaking of the planter gentlemen. I had no schedule to submit to these refiners. I had nothing to do with them whatever; on the contrary, our interests were opposed, as they wanted an ad valorem and we wanted a specific rate.

The CHAIRMAN. On this day did you go into the room?

Senator CAFFERY. My present recollection is that I called Jones out.

The CHAIRMAN. But whether you called him out or went in——

Senator CAFFERY. Stayed in the door; I think Jones was in there and Vest was in there.

The CHAIRMAN. Whether you called him out or went in it was something about explaining to Senator Jones that rate?

Senator CAFFERY. Exactly.

Senator LODGE. On this day, this Sunday, was the sugar schedule under discussion?

Senator CAFFERY. I am not aware of it; I do not know what they were discussing.

Senator LODGE. It was not long before they reported; they reported the following Monday.

Senator CAFFERY. I think this was Sunday. They reported Monday and did not report the schedule I offered. I think I have that schedule yet in my possession.

Senator ALLEN. Mr. Edwards has testified that the information was given to him by some person who was present on that occasion, or was in the corridors of the Capitol, so that the running back and forth from one room to another came under his observation. Now, that person we are seeking to identify, if possible. You may state whether there was any person present in the corridors at the time or at the door.

Senator CAFFERY. None that I recognized.

Senator ALLEN. Did you recognize any other person?

Senator CAFFERY. No Senator that I recognized was about the committee when I was there.

Senator ALLEN. Besides yourself, Senator Vest, and Senator Jones, there was no one else there but Mr. Durfee?

Senator CAFFERY. No one at all.

Senator ALLEN. At the time you were there I suppose you regarded the sugar schedule as not yet settled.

Senator CAFFERY. Not yet settled. I did not know what they were going to report.

Senator LODGE. To get that settled was the reason you went up there?

Senator CAFFERY. I knew nothing about it.

Senator ALLEN. Do you know a Col. Rickey?

Senator CAFFERY. I do not.

Senator ALLEN. Joe Rickey?

Senator CAFFERY. I do not.

Senator LODGE. On that day you were not aware of there being anybody else there on tariff business or sugar-schedule business?

Senator CAFFERY. No; I was not.

Senator ALLEN. You did not see Mr. Le Fevre, or Searles, or Terrill on any of these occasions?

Senator CAFFERY. I did not.

The CHAIRMAN. Or Myer or Havemeyer?

Senator CAFFERY. Myer nor Terrill I did not know and never had known them in my life.

The CHAIRMAN. You did not see Mr. Havemeyer at all?

Senator CAFFERY. He was not here, and I did not see him on any occasion except the two I have described.

Senator ALLEN. And never in the Finance Committee room?

Senator CAFFERY. No. He might have been before the committee when I was not there, but he never was before the committee when I was there.

Senator DAVIS. I understand you never saw him in any room in the Capitol?

Senator CAFFERY. Never did see him in any room in the Capitol.

Senator DAVIS. You met him as he was going out?

Senator CAFFERY. Yes.

SWORN TESTIMONY OF BENJAMIN LE FEVRE.

The CHAIRMAN. What is your full name?

Mr. LE FEVRE. Benjamin Le Fevre.

The CHAIRMAN. Where do you reside?

Mr. LE FEVRE. At Maplewood, Ohio.

The CHAIRMAN. Were you formerly a Representative in Congress from that State?

Mr. LE FEVRE. Yes.

The CHAIRMAN. What is your present occupation?

Mr. LE FEVRE. Practicing law.

The CHAIRMAN. Where?

Mr. LE FEVRE. In New York. Not in the general practice.

The CHAIRMAN. We have had before the committee a gentleman named Edwards, who, in an article published in the Philadelphia Press Monday, May 14, 1894, has made the following statement:

We had, upon the Sunday before the bill as first reported was sent to the Senate, a striking illustration of the absolute domination of the sugar trust over the Democratic members of the Finance Committee. That was an all-day-and-half-the-night

session, and upon the Sabbath day. In one room were the Democratic members of the Finance Committee, and also in a wing of the Capitol were the representatives of the sugar trust. There were Havemeyer and Terrill and Meyer, Ben Le Fevre, and others. These men sat as the rulers in a political convention sit in a place apart, yet within instant communication of those who are to act. They were running back and forth between the Finance rooms and the quarters occupied by the trust all day, etc.

I will ask you what you have to say in regard to that statement, the authority for which has not been given us by Mr. Edwards.

Mr. LE FEVRE. It is absolutely not true so far as I am concerned.

The CHAIRMAN. Were you ever in the Capitol with Havemeyer, Terrill, and Meyer?

Mr. LE FEVRE. Not to my knowledge. I know Mr. Terrill very well, and have for years; but I never had the pleasure of meeting Mr. Havemeyer or Mr. Meyer. I do not know them. I do not know that I have ever been in the Capitol with Mr. Terrill. I had but one conversation with him this winter, and that was at the Arlington. That was social; had no reference to this.

The CHAIRMAN. Were you ever with these men named in this article in the committee room of the Senate Finance Committee or any other part of the Senate wing of the Capitol?

Mr. LE FEVRE. Never.

The CHAIRMAN. On Sunday or any other day?

Mr. LE FEVRE. No day. I say I never met Mr. Henry Havemeyer. I know Mr. Theodore Havemeyer.

The CHAIRMAN. Did you ever meet Mr. Theodore Havemeyer in the Capitol?

Mr. LE FEVRE. Never. Never met him in Washington. Never saw him in Washington. Did not know that he was in Washington.

The CHAIRMAN. Do you know Mr. Meyer?

Mr. LE FEVRE. I do not.

The CHAIRMAN. Is that statement true or false?

Mr. LE FEVRE. Absolutely false. I have not been in the employ of the trust, and nobody connected with it, and have not been in the Capitol with them.

The CHAIRMAN. Have you ever been employed by the trust, or any person or persons connected with the trust, to represent their interests in Washington?

Mr. LE FEVRE. I have not.

The CHAIRMAN. Nor have you been to the Finance Committee, or Capitol, nor in Washington in their interests?

Mr. LE FEVRE. I have not. I have never owned a dollar of their stock—certificates, I believe they call them—and have neither bought nor sold it.

The CHAIRMAN. Have you ever been with any of them?

Mr. LE FEVRE. Never.

The CHAIRMAN. Did you ever have any conversation with any member of the sugar trust in regard to the tariff bill?

Mr. LE FEVRE. I have not—not that I am aware of, unless it is somebody that I do not know. I do not know Mr. Searle. I see by the papers that he represents them. I never met him.

Senator DAVIS. I ask when did you first see or hear of this article in the Press of May 14?

Mr. LE FEVRE. The first I saw of it was someone called my attention to it, and I instantly got the paper.

Senator DAVIS. When was that?

Mr. LE FEVRE. It was a day or two days afterwards.

Senator DAVIS. Was it in this city?

Mr. LE FEVRE. Yes.

Senator DAVIS. Before that article appeared had any newspaper man been to you to verify these facts?

Mr. LE FEVRE. Never. There was no reference made to it. If there was I did not know it.

Senator ALLEN. Did you ever give out any information upon which that statement could be based?

Mr. LE FEVRE. Nothing.

Senator DAVIS. The point is whether the man who wrote this newspaper article applied to you to verify it.

Mr. LE FEVRE. Never to my knowledge. If he talked about it it was in a way that I could have no knowledge of it.

Senator ALLEN. You said nothing from which such an inference could be drawn?

Mr. LE FEVRE. Not the slightest. I have not talked about it. I venture this assertion, that there is not a member in the Senate, or Representative in the House, whom I have ever said a word to about it. I have tried to recall to see if there was any foundation for it, but I can not recall a single conversation upon the sugar question either here or in New York.

Senator ALLEN. Did you ever meet or know Mr. Edwards, the writer of this article?

Mr. LE FEVRE. I have no knowledge of him. We meet a great many people, but I do not recollect him at all.

Adjourned to meet on Monday, the 28th instant, at 10 o'clock a. m.

WASHINGTON, D. C., *May 26, 1894.*

The committee met at 12 o'clock m.

Present, Senators Gray (chairman), Lindsay, Davis, and Lodge.

SWORN STATEMENT OF WILLIAM BOURKE COCKRAN.

WILLIAM BOURKE COCKRAN, being duly sworn, was examined as follows:

By the CHAIRMAN:

Q. Your name is William Bourke Cockran?—A. Yes, sir.

Q. What is your age?—A. I am 40 years of age.

Q. Where is your residence?—A. New York City.

Q. What is your occupation?—A. I am a member of Congress, and a lawyer.

Q. You are a member of Congress from one of the districts of the city of New York?—A. I represent the Twelfth district.

Q. You are a member of the present Congress?—A. I am a member of the present Congress.

Q. Do you know a man named Henry Walker, who represents himself as the correspondent of a New York paper?—A. Yes, sir.

Q. You can make any statement you wish with reference to what you may have seen published in the papers in regard to Mr. Walker as it relates to yourself.—A. My statement will refer to the evidence which he is alleged to have given, in which he refers to me as having stated to him that I had learned from the President or Mr. Carlisle, or

some other high Democratic authority, which is the latest form the statement has taken, that the sugar trust had either contributed to the Democratic party or had been kind to it. I never made any such statement to him or anything that could resemble it. Mr. Walker, one evening when I had called at the Arlington Hotel for the purpose of seeing Mr. Secretary Gresham, and while my card was on its way to Mr. Gresham's room, approached me and told me that he had been asked by his paper to ascertain if I were the attorney of the sugar trust. That, to the best of my recollection, is the form in which he put the question. I stated to him that I was aware that his newspaper was unfriendly to me, that his correspondence was uniformly unfriendly to me, that I had been misrepresented continuously, but nevertheless if he applied to me for information I would give it. He said he did. I told him that I had never been the attorney for the sugar trust; that in 1886 or 1887, when the attempt was made in the courts of New York State to invalidate the organization of the then sugar trust, I had been offered a retainer by Mr. Parsons, the attorney for the trust, on the proceedings in the Supreme Court; that those proceedings had been started by the Attorney-General as it was generally understood in obedience to or as the result of resolutions adopted by the political organization with which I was affiliated, and I did not think it right to accept a retainer in a legal proceeding that sprang out of the action of my own political organization, that I thought it might look as if I were trying to make law business out of my political affiliations, and that I declined, but that beyond that I never had any connection of any kind or character with it.

Now I should state that this conversation did not all occur at one time. When my card came back with the statement that Mr. Secretary Gresham was in, I went into the room and remained there probably three-quarters of an hour. On coming out this man waited for me in the hall, followed me out through the door, and accompanied me on my way toward my house. What part of the conversation occurred while the card was going in and what part occurred after I came out I am unable to say. But that is the substance of it. I never told him that any person had represented to me that the sugar trust was favorable to the Democatic party or had been kind to it. I certainly never mentioned the President's name or Mr. Carlisle's name; I never told him that I favored the duty on sugar, and I never told him that I had favored a duty on sugar.

As a matter of fact I had not voted for a duty on sugar in the committee. As a matter of fact I had refused to vote upon the whole sugar schedule when it came up in the Ways and Means Committee, or in the Democratic membership of it. I should state that in this talk he did not give me any information whatever that he had sent on an article of the character which afterward appeared. He simply represented to me that he was directed to ask that question. Then he made some comments as to the reasons which may have controlled the paper in urging that that inquiry be made. I think he followed me up as far as the corner of Fifteenth and K streets. He may have gone up to Scott Circle; I am not sure, but I know on the way, some place, I bade him good night and went home. The next morning an article appeared charging that I was the attorney of the sugar trust.

By Senator DAVIS:

Q. In the paper represented by Mr. Walker?—A. Yes, sir. The next morning an article appeared charging that I was the attorney for

the sugar trust; that I had induced the committee to put a duty of a quarter of a cent per pound on sugar, and that two members of the committee, who were nameless, had given him that information. From the date of this interview, which occurred over night, I never had any conversation with him whatever. I never called upon him; I never sought him out; I never made any explanation of any kind or character.

Q. When was this?—A. Mr. Lodge, you remember the time. I should think it was some time in January or February; it was in January.

By Senator LODGE:

Q. Before you reported the bill?—A. No; after we reported the bill and before we took the final vote.

Senator LODGE. I do not recall the date.

The WITNESS. It was before we took the vote in the House, and while the bill was pending.

By Senator DAVIS:

Q. You think it was in the month of January?—A. I think it was in the month of January that the article appeared. As bearing upon the probabilities of my having made any such statement, I may state that we had a meeting of the Democratic membership of the Committee on Ways and Means, I think, that night. I called attention to this article, and every person present said that no information came from him, and the whole 11 were present. Every one of them concurred in denouncing it as utterly and atrociously false. For my part, for the same reason that I never have voted on a bill affecting the District of Columbia, because my wife owns a house here, I would not vote upon the sugar schedule, because I knew both of the Havemeyers very well.

By the CHAIRMAN:

Q. You were on friendly relations with them?—A. Certainly. Theodore Havemeyer lives within a few doors of me, and is a constituent of mine. Henry Havemeyer was a constituent of mine in the old district. I have known them for years. I have gone through their building; I have seen how the work was done. When the question came up in the committee as to fixing the amount of the tariff on sugar, I think the first proposition was three-tenths or three and one-half tenths of a cent, and the other was one-fourth of a cent. There was no proposition for free sugar. When I speak of the committee I speak of the Democratic membership. On the vote for three-tenths or three and one-half tenths I stood silent, and by my refusal to vote it was lost. On the next vote the rate was fixed at one-fourth of a cent, and the committee was unanimous. Although I did not vote, there was no dissenting vote. This was the whole transaction, except that we took the matter up at 9 o'clock in the evening and got through about midnight, and then, upon my motion, it was decided to make public the sugar schedule and the sugar schedule alone.

Q. For what purpose?—A. So that there could not be any speculation upon it by Monday morning because of any information which might leak out of the committee, and whether it did or not that there should not be any accusation about it, that the information should be given to the world.

By Senator DAVIS:

Q. Let me ask you a question which occurs to me with reference to my recollection of what Mr. Walker said. Did you ever hold any pro-

fessional relations with the Havemeyers?—A. No, sir; I never had any professional relations at all with them.

Q. Or with any member of the sugar trust?—A. No; that is, that I know of.

Q. Or with the sugar trust?—A. No; you know the present sugar trust is not the sugar trust that offered me the retainer. I suppose you remember that I told you that I was offered a retainer way back in 1886 or 1887. I do not know what year it was, but it was well known, because it was the case which was brought by the people of the State of New York on the relation of the Attorney-General against the North River Sugar Refining Company. It was the case on which they tested the trust agreement, under which all these corporations had deposited their stock with certain trustees. On that I was offered a retainer when the proceedings were begun.

Q. And you declined?—A. I declined. After that the court sustained the case and dissolved this corporation, which was one member of the trust. Then, as I understand, although I have no knowledge of it, they reorganized and instead of being a trust they were a corporation.

Q. And you never held any professional relations with either?—A. No, sir. I have had nothing to do with either beyond what I have told you.

By Senator LODGE:

Q. You had no subsequent conversation with Mr. Walker?—A. None whatever, of any kind or character, concerning this matter. I never made any explanation. On the contrary, you will find in some of the papers the next day, that when I was asked about it I said I should not say anything until a reputable paper fathered it, and that if some reputable paper fathered it I should take notice of it. I think you will find that in the New York World. As to Walker, I had no conversation at all with him as to that, except that on Friday, a day or two before the vote was taken in the House on the tariff bill, I was passing through the lobby and he said Mr. Croker was in the Speaker's room and asked me if I was going in there. I said no, that I was busy on the floor. Beyond that I have had no conversation with him at all that I recall. Still, I may have seen him or passed some words with him.

Q. That was the only conversation you have ever had with him in regard to the matter?—A. Yes, sir; the one I have described before the article was published, and before I had any idea as to what he was going to say.

By the CHAIRMAN:

Q. Is there anything else you wish to say?—A. I am in the middle of the trial of a law case, and am going back this afternoon. I hope to return Monday or Tuesday. If there should be any occasion for it, if anything further should be said which concerns me, I hope the committee will notify me.

Q. You came here for this purpose?—A. Yes, sir, and for no other, in pursuance of a telegram which I sent to the chairman as soon as I read this in the morning paper. Of course, I did not know what Mr. Walker had said, whether it was more or less than was published, and I telegraphed the chairman for that reason.

At 12 o'clock and 10 minutes p. m. the committee adjourned.

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53D CONGRESS, 2d Session. } SENATE. { REPORT 457, Part 2.

IN THE SENATE OF THE UNITED STATES.

JUNE 4, 1894.—Ordered to be printed.

Mr. GRAY, from the Special Committee to Investigate Attempts at Bribery, submitted the following

REPORT:

WASHINGTON, D. C., *May 29, 1894.*

The committee met pursuant to adjournment.

Present: The chairman (Senator Gray), Senators Lindsay, Davis, Lodge, and Allen.

SWORN STATEMENT OF SENATOR DANIEL W. VOORHEES.

The CHAIRMAN. You are a Senator of the United States from the State of Indiana?

Senator VOORHEES. Yes, sir.

The CHAIRMAN. And have been such during the present session?

Senator VOORHEES. Yes, sir.

The CHAIRMAN. You are chairman of the Finance Committee of the Senate?

Senator VOORHEES. Yes, sir.

The CHAIRMAN. And have been such during the present session?

Senator VOORHEES. Yes, sir.

The CHAIRMAN. Are you a Democratic member of the Finance Committee?

Senator VOORHEES. Yes, sir.

The CHAIRMAN. I read from a letter in the Press of Philadelphia, published May 14, 1894, and as to which we are directed by resolution of the Senate to inquire, this statement:

Upon one occasion, sometime in February, when the Finance Committee, or the Democratic members of it, were in perhaps informal session, there came into the room, unexpectedly to all those present excepting two members, none other than the Secretary of the Treasury, Mr. Carlisle. His going there at that time has never been reported until this writing of it. He went secretly and came away secretly. His visit was supposed to be a confidential one. It was a confidence not imposed upon one member of that committee, and, therefore, it is possible now to make report of what Mr. Carlisle said. They looked upon him as speaking not so much for Mr. Carlisle as for the administration. He did not say that he came from the President, but when he had finished making his astonishing statement not one of those who heard him doubted that he had come from the President and was echoing the President's wishes and giving emphasis to them by an earnest and, for him, excited manner. What he said is quoted from remembrance, but it is substantially accurate as it was reported by one who heard it.

Gentlemen, there is one thing that I am bound to say to you as earnestly and impressively as I can do it, and I speak to you as a Democrat to Democrats. No party, or the representatives of no party, can afford to ignore honorable obligations. I want to say to you that there seems to be danger that this is going to be done. Gentlemen associated with the sugar-refining interests (I may tell you what perhaps

you do not know) subscribed to the campaign fund of the Democratic party in 1892 a very large sum of money. They contributed several hundred thousand dollars, and at a time when money was urgently needed. I tell you that it would be wrong, it would be infamous, after having accepted that important contribution, given at a time when it was imperatively needed, for the Democratic party now to turn around and strike down the men who gave it. It must not be done. I trust that you will prepare an amendment to the bill which will be reasonable, and in some measure satisfactory to these interests.

What have you to say, Senator, in regard to that statement by the writer of that article?

Senator VOORHEES. Neither in the committee room nor in any other place did I ever hear Secretary Carlisle utter one word of the matter there attributed to him. I never heard the subject discussed by him, nor, I may say, by anybody else, until within the last few days, when it was floating around in the newspapers and in the air. I never talked with Mr. Carlisle on the subject of sugar but once, and that was in the office of the Secretary early in the tariff work, when we discussed the question of the polariscopic test and the question of specific or ad valorem duties. The Secretary was at his desk in the Department. With that exception I never exchanged a word with Mr. Carlisle on the sugar subject, that I now remember.

The CHAIRMAN. When you say you never talked to him, do you mean that you never heard him talk?

Senator VOORHEES. That is what I mean—that I never heard a word uttered by him in regard to the matter attributed to him in the article you read. It is made out of whole cloth. I have never seen him in the committee room under such circumstances; I have seen him in the committee room as openly as anybody else, but never on that subject. I never heard the question of contributions by the sugar trust discussed by the Secretary of the Treasury nor, indeed, amongst ourselves. I never saw Mr. Havemeyer. I would not know him if he walked in here. I do not know a human being who belongs to the trust, so far as I know. I may know people who belong to it, but I do not know the fact. I never knowingly exchanged a word with anybody belonging to it.

Senator LODGE. I would like to ask the Senator a question in regard to that statement about the memorandum there that alludes to him particularly.

The CHAIRMAN. The writer goes on to say that:

Mr. Carlisle said but little more; he had said enough. He turned and left the committee, going away with that secrecy with which he came, but before he did so he signified his willingness himself to prepare an amendment which he thought would be fair to the Government and yet be just to the sugar interests.

That very thing he did not long after. The chairman of the Finance Committee received and showed to certain favored friends the draft of an amendment, in Secretary Carlisle's own handwriting, to the sugar schedule, and that draft is in Mr. Voorhees's possession to this day, unless he has destroyed it. Secretary Carlisle had scratched out from the printed schedule the provisions as originally made, and by interlineation had inserted the following words: "On all sugars not above No. 16 Dutch standard, and on all"—after the word "all" the printed form remained in which mention was made of other sugars, and then this interlineation: "Instead of one-eighth of 1 per cent, 45 per cent ad valorem."

Senator VOORHEES. The statement there, or any other statement, which says that such a memorandum was made and given to me is utterly false. I never saw such a paper and I never heard of it until recent publications. The statement that it is in my possession now or ever has been is absolutely false. I have never had such a paper. I have never seen such a paper and I have never heard of such a paper until newspaper publications, in the last ten days, perhaps. If Mr. Carlisle made a memorandum on the sugar question I never saw it, in

his handwriting or any other handwriting, that I know of. If he ever communicated anything on the sugar schedule to the committee he did it to somebody else beside me, not to me.

The CHAIRMAN. I find in this article this statement also——

Senator VOORHEES. One moment. Mr. Carlisle was in communication a great deal with the committee. We sent for him repeatedly; I corresponded with him from the committee room to the Treasury Department in relation to various matters and received various communications from him, but nothing of this kind—touching the sugar question.

The CHAIRMAN. I ask you how long you have been chairman of the Finance Committee?

Senator VOORHEES. Since March, 1893.

The CHAIRMAN. When were you made a member of the Finance Committee?

Senator VOORHEES. I was made a member of the Finance Committee within a few days after I entered the Senate, and have been so ever since. I came into the Senate November 12, 1877, nearly seventeen years ago.

The CHAIRMAN. And have been on that committee ever since?

Senator VOORHEES. Yes, sir.

The CHAIRMAN. I will ask you whether it is the habit of the Finance Committee in considering matters of finance to consult the Secretary of the Treasury?

Senator VOORHEES. Undoubtedly so. We consider bills touching financial legislation and refer them to the Department and ask information from that Department as if the Secretary of the Treasury were an *ex officio* member.

The CHAIRMAN. Has that been the custom ever since you have been a member of the committee?

Senator VOORHEES. Always; and I believe since the foundation of the Government.

Senator LINDSAY. Has it been customary to receive suggestions—unsolicited suggestions—from the Secretary of the Treasury?

Senator VOORHEES. Oh, yes; we would not think it strange at all. It is a very customary and proper thing.

Senator DAVIS. Is it customary for the Secretary of the Treasury to go to the committee room and sit down and consult with the committee?

Senator VOORHEES. Yes, sir; we would not be at all disconcerted or surprised if the Secretary of the Treasury were to walk in at any time and say that he wanted to talk of matters concerning the business of his Department. We would receive his suggestions with great respect.

The CHAIRMAN. Has that always been the custom?

Senator VOORHEES. Always, so far as I know.

The CHAIRMAN. In the same article appears this:

We had, upon the Sunday before the bill as first reported was sent to the Senate, a striking illustration of the absolute domination of the sugar trust over the Democratic members of the Finance Committee. That was an all day and half the night session and upon the Sabbath day. In one room were the Democratic members of the Finance Committee, and also in the wing of the Capitol were the representatives of the sugar trust. There were Havemeyer, and Terrill, and Meyer, Ben Le Fevre, and others. The men sat as the rulers of a political convention sit in a place apart and yet within instant communication of those who are to act. There were runnings back and forth between the Finance rooms and the quarters occupied by the trust all day. Everything had been arranged up to the point of satisfying the Louisiana Senators. Even the trust realized that it was necessary for the trust to placate hese Louisiana men, or else there would surely be two votes against the bill. It

was a question of compromise, each side giving a little and taking a little. At one time it seemed as though the whole negotiation must go to pieces. Never was there more desperate battle between conflicting interests in the committee rooms of the Capitol. At last, late that evening Senator Caffery drafted a schedule, Mr. Havemeyer looking over his shoulder and the other members of the sugar trust watching the Senator with eyes that fairly glittered, so one Senator who saw the spectacle afterwards reported. It was the crucial moment. When Senator Caffery had finished, the sugar trust read his draft, reluctantly accepted it, it was taken to the room of the Finance Committee and there accepted, the victory won and the original draft is still in the possession of the committee in Caffery's handwriting and with the approving marks of the sugar trust upon it.

Senator VOORHEES. There is not a single word of truth in the article—not a word.

The CHAIRMAN. Do you recollect a Sunday on which the Democratic members of the Finance Committee were in session all day and in which there were in a room, at the Capitol, representatives of the sugar trust—Havemeyer, Terrill, Meyer, Ben. Le Fevre, and others?

Senator VOORHEES. No, sir; nothing of that kind, to my knowledge. I have been in the Finance Committee room a half dozen Sundays at work. Sometimes members would be there; I have worked repeatedly with Senators Vest, Jones, and McPherson. I have never heard of anybody else being in the Capitol in another room at such times. This is the idlest fabrication I could imagine. I do not know a single human being named in that trust, or party, except Ben. Le Fevre. I know him well and he never spoke to me on the subject any more than that man there (indicating Mr. H. H. Smith, clerk to committee).

The CHAIRMAN. So far as has been told to you, did what I have read to you, as stated by this writer, take place there on Sunday or any other day?

Senator VOORHEES. No; not a word of it so far as I know, or have been told; nothing like it.

Senator DAVIS. Is any single one of those statements true, to your knowledge?

Senator VOORHEES. None of those statements are true, to my knowledge, in any form.

Senator LINDSAY. Did you ever see or hear of a paper supposed to have been written by Mr. Caffery?

Senator VOORHEES. Never; in fact, I never saw this newspaper article until now. It is new to me. I had never heard of Senator Caffery writing anything that came before the committee. I never heard Senator Caffery charged with putting anything down in writing for our consideration before. If he ever communicated with a member of the committee, which he may have done, he did so with some other member; he never did with me.

Senator LINDSAY. You did not hesitate to talk with Senators who seemed to be interested in this way, or anybody else?

Senator VOORHEES. I always talked with anybody, especially members of the Senate, willingly and gladly; consulted right and left.

The CHAIRMAN. Did you consider it your duty to listen to all who claimed to be affected in their business interests by the tariff bill?

Senator VOORHEES. All. I had invitations out for Senators to come and be heard. We were working under a great deal of strain. So far as our relations to these trust matters are concerned, their managers never came near me; I did not know them. I have been here many years, and such folks have never called on me. I did not know that any of them were in town.

I may say one word more. I have been out of health for some time back, and while I was a faithful worker in committee and was there

nearly all the time, there were times at night meetings and the like when I was not able to participate in them, and for that reason Senator Jones and Senator Vest, and Senator Mills for a time, at my request, devoted themselves to the details of this measure. I kept up with the work, knew what was going on, and kept in touch with its management; but they did the detail work. Mr. McPherson assisted largely, but he was out of health a good deal of the time also, so that largely the work on this bill is due to Senators Vest and Jones and Mills, of Texas. Mr. Mills was taken on the committee for a time, and he did a good deal of work in place of Senator McPherson. So when we came into the Senate I asked Senator Harris to take charge of the management of the bill on the floor. His large experience and parliamentary knowledge fitted him for it, and I relied on the gentlemen who had framed the details to manage them in debate. For that reason I have not taken as much part as I otherwise would, but I have been in the main current of affairs in the formation of the bill and have kept in touch with it all the time, and I do not think anything such as charged in the newspapers could have taken place without my knowledge.

SWORN STATEMENT OF SENATOR GEORGE G. VEST.

The CHAIRMAN. You have been already sworn by this committee during this investigation?

Senator VEST. Yes, sir.

The CHAIRMAN. You are a member of the present Finance Committee of the Senate?

Senator VEST. Yes.

The CHAIRMAN. How long have you been such?

Senator VEST. During this Congress, I believe. I was appointed when we organized the committee at the beginning.

The CHAIRMAN. And you have been acting as such?

Senator VEST. Yes.

The CHAIRMAN. You are a Democratic member of that committee?

Senator VEST. Yes.

The CHAIRMAN. In a letter to the Philadelphia Press, published on May 14, 1894, signed "Holland," there is this statement [reading the paragraphs read to Senator Voorhees, as above given].

What have you to say to the statements of the writer of that letter as I have read them?

Senator VEST. I do not know anything about it. Nothing of that kind occurred in our committee. Mr. Carlisle, Secretary of the Treasury, was in our committee room several times and he consulted with us in regard to the tariff bill and expressed great anxiety that we should agree upon some measure, and that it should become a law, but made no such statements as are contained in that correspondence that the sugar trust had given several hundred thousand dollars and that we were under any obligation as a party or otherwise. So far as I know it is a piece of fiction.

Senator LODGE. He never alluded to the sugar trust?

Senator VEST. I never heard of it.

The CHAIRMAN. Were you an active member of the Finance Committee on the Democratic side of it during the preparation of that bill?

Senator VEST. I think so. I was at every meeting, and at work except a few hours for sleeping and eating—a few hours a day. There was a good deal more work than I expect to do again on any public

measure. To be frank, we have had such difficulties that I do not think have been encountered by men making a tariff bill; all sorts of difficulties.

The CHAIRMAN. Did the representatives of moneyed interests affected by that bill come before that committee?

Senator VEST. We never had any public hearings. Of course you could not put your head out of the committee room without being attacked by somebody. Mr. Hamlin, Assistant Secretary of the Treasury, came to our committee room, and Mr. Carlisle came there too, but no such statements as what you have read took place.

The CHAIRMAN. Do you understand that it is usual for the Secretary of the Treasury to consult with the Finance Committee or members of it during the preparation of a tariff bill?

Senator VEST. I understand so. I have been here sixteen years, and I have always found that to be the case. In fact, I went to Mr. Carlisle when Mr. Cleveland was first elected and Mr. Carlisle was appointed Secretary of the Treasury, and suggested to him that he consult then with members of the Finance Committee of the Senate—the House had not organized its Ways and Means Committee—in regard to the details of that tariff bill or the general outline. That indicates pretty clearly what I thought of the proper functions of the Secretary of the Treasury in connection with that matter. And frequently—I say several times—when we would have questions before us giving us a great deal of trouble—and we had a good many of them—one of us would either go and consult Mr. Carlisle or send for him. We did it for two reasons: First, because he was Secretary of the Treasury; secondly, because he had a great deal to do with tariff legislation and a great deal of experience in the matter.

Senator DAVIS. That article states that on the occasion referred to, when Mr. Carlisle was leaving the room, he himself was prepared to perfect a measure in regard to sugar that was talked about, and shortly afterward he did so. Do you know anything about that?

Senator VEST. I have an indistinct recollection of Mr. Carlise drawing up at the Treasury Department a provision in regard to sugar. I do not know who received it, and I do not know that I ever saw it.

The CHAIRMAN. Do you know whether he made a statement of that kind when he was in the room, or leaving the room, as stated in that article?

Senator VEST. I have not. I recollect this, but I could not state the date, when we were talking about the sugar provision, or some other, somebody said to Mr. Carlisle, when he was about to leave, "Well, suppose you formulate that suggestion," or something that was to that effect.

The CHAIRMAN. Did he afterward do so?

Senator VEST. I am not clear about that. I think possibly he did bring it back, but whether it was when I was in the committee room I can not state.

The CHAIRMAN. Was it the one that was reported?

Senator VEST. Oh, no.

The CHAIRMAN. If he did do it, had it any connection with any such speech as is here stated in regard to the sugar trust?

Senator VEST. No, sir. He had nothing whatever to do with the sugar schedule as reported—nothing at all.

Senator LODGE. You mean as finally reported?

Senator VEST. As it is now in the bill. That was prepared by Senator Jones and myself, and submitted to the balance of the committee.

The CHAIRMAN. Mr. Carlisle had nothing to do with that?

Senator VEST. Nothing in the world. Of course, he talked about it with us, and he made calculations and figured up what would be the effect of this duty or the other, and the difference between polariscopic tests and ad valorem, as gentlemen always do in regard to framing the tariff. But as to his coming to us with any suggestion that would aid the sugar trust, or any other interest, is all stuff.

The CHAIRMAN. Further in the same letter is this statement:

To go back a little. After Mr. Carlisle's address to the Finance Committee, after the meeting between Mr. Havemeyer and Senators Brice and Smith, there occurred an extraordinary thing in the Finance Committee. Senator Vest made a statement which caused Mills to look upon him with amazement, to regard him with suspicion, and some of the other members of the committee to eye one another furtively. The Senator said that he did not see why a duty of one half of a cent upon raw sugar did not afford sufficient protection to all the sugar interests of this country. If Mr. Vest were a new Senator, such an astonishing assertion as that might have been ascribed to ignorance; but he has been through tariff bill after tariff bill. He looks upon himself as something of an expert, and he must have known that his statement was ridiculous. In view of his earlier position it seemed not only ridiculous, but strange. It even caused one Senator to say to another, "Vest has flopped." But he followed it with another even more extraordinary statement. He said that in view of the excitement over the sugar schedule he had been compelled to ask his personal friend, Mr. Joe Rickey, to deprive himself for the time being of the delights of personal intercourse with him, because if he was seen so much in Rickey's company just then it might cause suspicion to be aroused.

Suspicion of what? Mr. Rickey is a speculator upon the market of more than local repute. He knows how to buy and how to sell. He is reputed to have made several fortunes because he has let his speculative instinct have his way with him. Did Senator Vest mean to intimate that it might be said, if he changed his action in regard to sugar, that his relations with Mr. Rickey would cause it to be suspected that Mr. Rickey might have gone upon the market having the advantage of prior knowledge that would boom sugar stocks?

Senator VEST. That is simply a lie out of the whole cloth. There is not a scintilla of fact in it, so far as my suggesting a one-half cent duty on sugar is concerned. I was for free sugar, and I was finally compelled to favor, under the polariscopic test, 1 cent a pound on raw sugar and no duty on refined sugar. That was our first bill and speaks for itself.

The CHAIRMAN. Did those difficulties which you speak of arise from the claims of the Louisiana Senators?

Senator VEST. Yes, sir; and from the difference of opinion between Democratic Senators as to what was a fair differential duty to the refiners. The first demand—I use the word "demand," possibly that is too strong—was a quarter of a cent on the refining interests and a duty of 33⅓ per cent ad valorem on all sugars. Mr. Havemeyer filed that in the committee, and I have it in my drawer, 33⅓ per cent ad valorem and a quarter of 1 cent differential besides.

Senator DAVIS. On raw sugar?

Senator VEST. On raw and refined 33⅓ per cent, and then on the sugars over 16 Dutch standard a quarter of 1 cent. That we rejected; Senator Jones and myself were doing the work principally and said it was utterly inadmissible. Then a good deal of talk was had about it and finally we said we would agree to one-eighth.

The CHAIRMAN. One-eighth differential?

Senator VEST. One-eighth differential on the refined. We came to the conclusion that there must be a duty on raw sugar. The first difficulty was in the duty on raw sugar in regard to the polariscopic test or ad valorem, and we took the polariscopic test, with an equivalent of 1 cent on raw sugar and no duty at all on refined. The bill speaks for itself. Then after considerable controversy—for there was a great deal of trouble over this sugar interest, which was very aggres-

sive, both from the Louisiana producers and the refiners—we finally agreed to 40 per cent ad valorem and one eighth, but the refiners asked a quarter; and at last we made this bill as it is now. Every member of the Senate and committee knows as well as he knows my name that I was opposed to any duty on sugar if we could avoid it. I was for the bill as it came from the House of Representatives. Any man who intimates differently states a falsehood.

As to Rickey, I never had a word with Mr. Rickey about sugar. Possibly he may have said something to me at some time or another, but I do not remember it; and certainly never gave him any information. I never had anything to do with him or anyone else in the way charged. He came to my house several times, but I did not see him; I was very busy. He is from my State and acquainted with my family, and I am not on such a pedestal as to refuse to speak to him or any other constituent. I never gave a person the slightest indication of what we were doing or about to do. I never had any interest, either remote, contingent, or otherwise, in speculation with Rickey as charged or with anyone.

The CHAIRMAN. Did Mr. Rickey ever try to get information from you as to what was going on?

Senator VEST. Never. He never said a word to me about it, and would not dare to come to me about it. All these charges are lies.

Senator DAVIS. When did you first hear of this statement?

Senator VEST. Which statement?

Senator DAVIS. The one that Mr. Gray read you from the newspaper.

Senator VEST. I think I heard of it from someone else, but Senator Gray spoke to me and asked me if I had read it. I never heard it read until now.

Senator DAVIS. You have been in town during the last few months?

Senator VEST. Yes, sir, I have; but I did not see the newspaper.

Senator DAVIS. Did any newspaper man come to you and state what the fact was and ask you to give him an explanation?

Senator VEST. Never. The first intimation that I had that any such statement was made, some Senator—I don't know who he was—asked me if I knew that this villainous statement was made in the Philadelphia Press. I said I never read the Press and had no information about it. That was my first intimation that any such publication was made. Afterwards the chairman of this committee, Mr. Gray, came to my seat in the Senate and said to me: "You ought to read that statement in the Press in which your name is mentioned." I told him I had never seen it, that I did not care anything about such publications, and he said there were two things in the statement I ought to see. I never read the article, and this is the first time I have heard it read.

Senator LODGE. You referred to the demands of the producers and refiners?

Senator VEST. Yes, sir.

Senator LODGE. Did they make the same demand, or did one desire one kind of duty and another another?

Senator VEST. No; the producers wanted the polariscopic test.

Senator LODGE. That is, the specific?

Senator VEST. Yes, sir, the specific; that is a different name for it. They wanted the polariscopic test, or the specific, and the refiners wanted the ad valorem. That was the way they stood. I did not want either, to tell the truth. I preferred the Wilson or House bill. What was put in there was put in because I could not help myself.

The CHAIRMAN. Further in the same letter there is this statement, and this was read to Mr. Voorhees:

We had, upon the Sunday before the bill as first reported was sent to the Senate, a striking illustration of the absolute domination of the sugar trust over the Democratic members of the Finance Committee. That was an all-day and half-the-night session and upon the Sabbath day. In one room were the Democratic members of the Finance Committee, and also, in the wing of the Capitol, were the representatives of the sugar trust. There were Havemeyer and Terrell and Meyers, Ben Le Fevre, and others. These men sat, as the rulers of a political convention sit, in a place apart and yet within instant communication of those who are to act. There were runnings back and forth between the Finance rooms and the quarters occupied by the trust all day.

Now, what have you to say in regard to that statement?

Senator VEST. I do not know anything in the world about it. I do not know what Sunday they refer to.

Senator LODGE. The Sunday before the bill was reported is the Sunday.

The CHAIRMAN. Before the bill first reported was sent to the Senate.

Senator VEST. We worked every Sunday. I could not carry my memory back to that particular Sunday, but I can say that I never had anything to do with the sugar trust, or any member of it, and if they were in the Capitol I did not know it, and if there were any communications from them I did not know it. As to Mr. Caffery drawing any schedule, I do not remember it. Of course he had schedules brought there in the interest of his people.

Senator LINDSAY. Not there in the interest of sugar and Mr. Havemeyer?

Senator VEST. The only thing suggested by Mr. Havemeyer was his written communication, which I have, in which he asked for 33⅓ ad valorem and one-fourth of 1 cent differential. That was in writing; I have it.

Senator LODGE. Did you see him personally?

Senator VEST. I know that I saw him once. He came to my house. There were a number of people there. He brought his samples and spread them out on the table and explained to me the difference between sugars and what he wanted—an argument for ad valorem. I heard what he had to say, as I heard everybody else. There was no secrecy, no concealment.

The CHAIRMAN. There was no reason for secrecy?

Senator VEST. I had none.

Senator LODGE. That was the only time you saw him?

Senator VEST. He might possibly have called at my house once before, the evening before, but I am not clear about that; not more than twice, however, and then publicly, in regard to this matter, representing his views in regard to it, but just as any manufacturer would come. My house was full of them all the time.

Senator DAVIS. Louisiana people came too?

Senator VEST. Delegations of them; Mr. Dymond and all of his crowd of Louisiana people came to my house, representing their interests in my parlor and sitting room.

The CHAIRMAN. Did other persons interested in the schedules come to your house?

Senator VEST. Yes, sir; every night, and every morning before I was out of bed.

The CHAIRMAN. I mean other interests than the sugar interests?

Senator VEST. Of course; there were letters of introduction from people I did not know personally. I got personal letters from my col-

leagues in the Senate and House, and friends, asking me to give those gentlemen a hearing; and I would do so, of course.

Senator LODGE. Do you remember the presence of the sugar trust as described in that article which has been read.

Senator VEST. No; if they were in the Capitol at the times we were in session, I did not know it.

The CHAIRMAN. Was there any contest over the sugar schedule on the Sunday before the bill was reported?

Senator VEST. No, sir; not more than any other time. The contest all the time was between the producers of sugar and the refiners, and was not only in regard to the amount of duty but the manner in which it should be levied. I understood all the time the refiners wanted the ad valorem and the producers wanted the polariscopic specific.

Senator DAVIS. That was the same thing.

Senator VEST. The same thing. The first bill we drew had nothing but a specific duty on raw sugar.

Senator LODGE. And this present bill has the ad valorem duty?

Senator VEST. The result of the very long discussion was this compromise, just as is the case with any other tariff bill. There was never any contemplation of a half-cent duty; so far as my ever suggesting it, I was at the other extreme. I wanted free sugar. I had no concealment about it. I agreed to this duty to make a bill. I thought the worst thing for my party and for my country would be to keep the McKinley bill on the statute books, and when I could not get as much as I wanted, I took all I could get. I am guilty of that.

The CHAIRMAN. Do you know a correspondent of the press named Harry Walker?

Senator VEST. No, sir. There are a great many I meet that I do not know again. Possibly I know him.

Senator LODGE. He is a correspondent of the Post-Dispatch.

Senator VEST. I would not know him; they are changing correspondents so much.

Senator LODGE. I will now ask you in regard to certain testimony given before the committee by Mr. Walker. He says:

I have mentioned about go-betweens in the trust who would go to Senators, one besides Senator Brice.

Senator LODGE. Who was that Senator?

Mr. WALKER. Senator Vest.

Senator LODGE. Who was the go-between?

Mr. WALKER. Joe Rickey.

The CHAIRMAN. Did you see Mr. Rickey and other members of the trust with Senator Vest?

Mr. WALKER. I have seen Joe Rickey with Mr. Vest, and in a little while go with Mr. Reed or Mr. Terrill and get in a quiet spot and talk. I charged that in the Post-Dispatch. It was stated that it was believed as an absolute fact. I gave my reasons for believing it.

The CHAIRMAN. When did you see Mr. Rickey in company with Senator Vest?

Mr. WALKER. I did not say when, because some time elasped.

The CHAIRMAN. On how many occasions?

Mr. WALKER. Only one occasion.

The CHAIRMAN. When was that?

Mr. WALKER. At Chamberlain's one night.

The CHAIRMAN. Where?

Mr. WALKER. It was in the public room.

The CHAIRMAN. Mr. Vest and Mr. Rickey?

Mr. WALKER. Yes.

The CHAIRMAN. How long were they together?

Mr. WALKER. I can not say. I was passing through the hall.

The CHAIRMAN. How long afterwards did you see Mr. Rickey—with whom did you say?

Mr. WALKER. Terrill.

The CHAIRMAN. How long afterward?

Mr. WALKER. I could not say; inside an hour, and it may be less; because I remember that night, I think, I went to the telegraph office and was there some time, but when I came back to the Arlington I saw Mr. Rickey.

The CHAIRMAN. You saw Mr. Rickey at the Arlington with Mr. Terrill after having seen him an hour before that with Mr. Vest?

Mr. WALKER. Yes; I have seen Mr. Rickey around the Finance Committee room door.

Senator DAVIS. When was this that you saw Mr. Rickey around the Finance Committee room door?

Mr. WALKER. That I can not remember; it was very early in the history of the bill.

The CHAIRMAN. How long after the tariff bill came over to the Senate.

Mr. WALKER. I do not think it had come to the Senate. It was out of the Ways and Means Commitee of the House, and I think during the House debate.

Mr. WALKER. I never mentioned but two names of Senators. I may have referred to Senators by name saying that I did not believe such and such a statement made in another newspaper, but the only names I have used were Senator Brice and Senator Vest. I have used Senator Vest's name entirely on instructions from the Post-Dispatch. I refused because I knew they were inclined to be sensational on the subject. I refused to follow up the tariff, and on that ground they took it out of my hands and put it in the hands of the World's bureau. Mr. Pulitzer owns both papers. There was a good deal in regard to Vest that I did not send at all. It was sent by the World's bureau.

The CHAIRMAN. But you had instructions from the Post-Dispatch to connect Mr. Vest and Rickey?

Mr. WALKER. Yes.

The CHAIRMAN. What was the nature of the instructions?

Mr. WALKER. There was something printed in the World, and I got a dispatch to follow up that article in that line. The instructions were reiterated.

Senator DAVIS. I do not understand you to say that you saw Senator Vest at the Arlington?

Mr. WALKER. No; I saw him at Chamberlin's.

Senator LINDSAY. How often were you communicated with by the Post-Dispatch in reference to Mr. Vest and Joe Rickey being connected?

Mr. WALKER. This once particularly and in things I have seen. I have had one or two dispatches saying: "Keep up that line; send more of it; it is not enough." I remember once I sent a short dispatch and they said something like a few hundred words would be better.

Senator LINDSAY. That is in the line of connecting Senator Vest with Joe Rickey?

Mr. WALKER. Yes.

Senator ALLEN. Did the Post-Dispatch manager seem to have a desire to connect Senator Vest with these transactions?

Mr. WALKER. I do not know. I think the Post-Dispatch was Senator Vest's organ out in Missouri for a number of years. It always claimed to have the credit of sending him to the Senate. Everybody out there knows Joe Rickey's reputation.

Senator ALLEN. Did they manifest a desire to have you connect Senator Vest with these matters when there was no evidence?

Mr. WALKER. Yes. There was an article which appeared written by a member of the staff of the World on Saturday night. The World matter always goes to the Post-Dispatch. This article was written by Dr. Bowen. That was sent out, and that is what interested them. Of course, they asked me to follow it up. In that article the first allusion was made to Rickey and Senator Vest.

Senator LINDSAY. It was after that that you remember seeing Rickey and Senator Vest together at Chamberlin's?

Mr. WALKER. I did not mention Vest and Rickey first by name, but in some conclusions I drew in the Daily America. I started writing up the trust along back before Christmas.

Senator LINDSAY. Did you hear anything that Senator Vest said to Rickey, or Rickey to Senator Vest, in Chamberlin's, on the occasion of which you speak?

Mr. WALKER. No.

Senator LINDSAY. And an hour afterward you saw Rickey with Terrill. Did you hear anything said by Terrill to Rickey or Rickey to Terrill?

Mr. WALKER. No.

That is all that relates to Senator Vest here.

The CHAIRMAN. Do you desire to say anything in regard to that?

Senator VEST. Only what I have said. I do not think I was at Chamberlin's for two months or more more than twice, and if I met Rickey I do not remember it. I certainly never had any conversation with him about sugar, and never gave him any information, and do not know where he went from Chamberlins; if I was there, and at a table with him, I have no recollection of it. I might possibly have been sitting there and Rickey joined me, or something of that sort, as might happen to anybody. But I certainly gave him no information, or had any conversation with him in regard to any sugar speculations.

Senator LINDSAY. Do you know anything about his having sugar speculations?

Senator VEST. No; I don't know anything about it.

The CHAIRMAN. Or any partner with him; have you been a partner with him in any sugar speculations?

Senator VEST. No, sir; I had nothing to do with any such thing. As to the statement of this man Walker that he saw him around the Finance Committe room door while the bill was pending in the House, we did not take up this bill for a week or ten days after it came from the House, and then not in the Finance Committee, but in my Committee on Public Buildings and Grounds. There was no meeting of the Finance Committee until sometime after the bill came over from the House. I think it passed the House February 1. It was reported to the House December 20, and passed February 1, and if Rickey was around the Finance Committee room he was there on some other business, as the tariff bill was not there; it was not taken up, and when it was taken up it was in my committee room, the Committee on Public Buildings and Grounds, with Mills and myself. That is all a myth. As to the Post-Dispatch being my organ in Missouri, it never was.

Senator DAVIS. As to any intimation or innuendo in that article respecting your relations to Mr. Rickey, or the sugar trust, what have you to say; are they true or false?

Senator VEST. They are absolutely false, and without any foundation in the world, and I repeat what I have said in the Senate that I never used my position for private purposes. Any statement that I have is absolutely false, or that I ever gave any information or had any connection with the sugar trust is also absolutely false. I have been particular about such matters, especially so. Ever since this bill was taken up by us I have stayed at my house and at the committee room working night and day. I never went about the hotels, or to Chamberlin's, and never had the time nor inclination to do so. I never permitted anybody to come to me and get information about the work of the committee.

I do not know that there is anything else that I care to say. If anybody can make the denial broader, I wish they would.

SWORN STATEMENT OF HON. JAMES K. JONES.

Senator LODGE. You are a member of the Finance Committee?

Senator JONES. I am.

Senator LODGE. And have served as such during this session?

Senator JONES. Yes.

Senator LODGE. You are a Democratic member of that committee?

Senator JONES. I am.

Senator LODGE. In the Philadelphia Press of May 14, 1894, there is a letter, signed "Holland," in which occurs the following statement:

[Having read the statement heretofore read to Senators Voorhees and Vest.]

The committee would like to hear any statement you have to make in regard to that article.

Senator JONES. It is absolutely without any shadow of truth so far as I know.

Senator LODGE. No such conversation ever took place so far as you know?

Senator JONES. No such conversation ever took place so far as I know, nothing by which any man of common intelligence and ordinary honesty could pervert into anything like that or approaching it.

Senator LODGE. Secretary Carlisle never made any such statement?

Senator JONES. Never, that I know of.

Senator LODGE. He never referred to the contributions of the members of the trust to the campaign committee, did he?

Senator JONES. No, so far as I know.

Senator LODGE. Did he ever give to the committee a memorandum such as is described here.

Senator JONES. He never did.

The CHAIRMAN. Did he ever make a statement of that kind in your presence?

Senator JONES. He never did, and I believe that I was present at every meeting of the Democratic members of the committee. I was sick when the bill came to the Senate. I was sick but a few days, however, not very long, but when I got well Mr. Vest and Mr. Mills were at work on the bill and I went into it with them, and I think I was present at every meeting of the committee from then on.

Senator LODGE. Of the Democratic members of the committee?

Senator JONES. The Democratic members of the committee. I do not believe there ever was a meeting of the Democratic members of the committee at which I was not present.

Senator LODGE. Then there is a further statement in this paper, as follows:

[Having read to the witness statements heretofore read to Senators Voorhees and Vest.]

Was there any such meeting as that described?

Senator JONES. No, sir; none whatever.

Senator LODGE. Was there a meeting of the Democratic members of the Finance Committee the Sunday before the bill was reported?

Senator JONES. I do not remember the exact date. There were two or three occasions when the Democratic members of the Finance Committee met on Sunday, but I do not remember the dates of the meetings. Until recently there were two or three meetings. I do not think there was any meeting of the Democratic members of the Committee on Sunday until after the 400 amendments went in.

Senator LODGE. Were these members of the sugar trust who are mentioned here at any time, to your knowledge, in the Capitol while the Finance Committee was in session?

Senator JONES. Never, that I know. I never heard of it before.

Senator DAVIS. When, if ever, did you first hear that Senator Caffery had drafted that amendment in regard to sugar, and that it had been approved by the sugar trust?

Senator JONES. I never heard it until now.

Senator LODGE. Do you know Mr. Havemeyer?

Senator JONES. I have met one Havemeyer once. When these sugar negotiations were going on there was in the committee a number of gentlemen who were interested in the sugar business who were present, and in a lot of conflicting calculations that were made in different ways somebody present—someone, I do not know who—asked me if I was sure that the figures that I made about the sugar calculations were correct, and I said I felt sure about it. Some days after that Senator Camden, I believe it was, told me that he felt very anxious that there should be some sort of agreement about the sugar schedule, some adjustment about it, and, while he did not know anything about what the facts were, he supposed the parties in interest, being more familiar with it than anybody else, would make some calculations; that he understood Mr. Havemeyer was at the Arlington Hotel and if I had no objection he would send over and get Mr. Havemeyer to come to his room, and if I would go down there with some other gentleman we would discuss these relative rates of percentages, etc., the value to be gotten from different ones. I went there about 10 o'clock in the morning——

Senator LODGE. To Senator Camden's room?

Senator JONES. Yes, sir; opposite the Arlington; I do not know the number. After I got there a man whom I was introduced to, who was introduced as a Mr. Havemeyer, and two other gentlemen whom I did not know, came. One or two other gentlemen were present. I did not know Mr. Havemeyer. I sat at the table with a pencil and a piece of paper and asked him about the price of refined sugar and raw sugar, and the expense of refining the sugar abroad and here, and the difference in the labor cost of refining here and in Europe, and he made a number of statements of that sort to me at the time. In making the calculations with Mr. Caffery and others I used all the data given me by Havemeyer. That was the only time I saw Havemeyer. We were in the room for possibly forty or forty-five minutes.

The CHAIRMAN. What did you mean by saying awhile ago, "when these sugar negotiations were going on?" What were the negotiations?

Senator JONES. Perhaps that was an unfortunate word; I did not mean negotiation. When we were making up the tariff bill the question as to whether there should be any tax on sugar; and, if so, whether the tax should be specific or ad valorem, of course, was up for consideration. We were informed that Messrs. Caffery and White would not vote for a bill that had some tax on sugar, and that there were other gentlemen who felt the same way about that and other things. These gentlemen were invited into the committee room on one occasion to talk over their different views. I remember Senator Brice was there, I think Mr. Smith and Senator Gorman. I do not know whether Senator Hill was or not. Senator Caffery and Senator White were there, and Senator Caffery was making up an argument as to these people, the lowest possible rate they could leave the incidental protection to go to them on sugar.

The CHAIRMAN. They were the producers of Louisiana?

Senator JONES. Yes; I said to him that I could not understand why he wanted ad valorem tax on sugar; that, it seemed to me, would operate more beneficially to the sugar refiners than to the planters. That brought him and me to figuring on the question of what it would be. Some gentleman said we could not refute the figures I made on it, that

the planters would not have as fair a show under the proposed schedule, I do not remember what it is—yes, I do, 40 and 50; 40 on the raw, and 50 per cent on the refined, and I said it would be giving a wider margin to the refiners of sugar, and at the same time I was asked by Senator Camden, I am not sure whether it was he, but afterwards Senator Camden asked me when we were talking in the Senate as to what was the fair rate to be put on sugar; if I would make these calculations with men who were on the other side with the refiners, and I said certainly; and it was the result of that that we would get somebody representing the sugar refiners to come to his room, and we would discuss this question in order to get the light and the facts.

Senator LODGE. Do I understand you, at the time Senator Caffery was talking with you, that he was advocating the ad valorem rate?

Senator JONES. I could not say that he advocated the ad valorem rate. I think he advocated the specific rate, but we were discussing the ad valorem rate. I said that the ad valorem rate that had been suggested by somebody would operate unfairly against the producers and in favor of the refiners, and would set them against each other. That is what I meant when I used the word negotiations.

The CHAIRMAN. At this meeting did Mr. Havemeyer say anything about an ad valorem duty?

Senator JONES. I do not recollect that he did. I do not remember whether he said anything about ad valorem duty or not. The thing that made an impression on me was when he came into the room first I asked him what would be the difference in labor cost between the refining of sugar in Germany and the United States, and he made some statement about that, I do not now recall what, though I made a memorandum at the time of what he said to me about the rates. My recollection is that at that time we adopted the sugar schedule, the first schedule, that was put into the bill.

Senator LODGE. Specific duty?

Senator JONES. Yes; 1 cent per pound; and he said that no refiner in the United States could exist under that schedule.

Senator LODGE. Did you ever meet Mr. Terrill, Mr. Ben LeFevre, Mr. Meyer, and others on the street?

Senator JONES. I met Ben Le Fevre on the street about six months ago, but I do not know the other men you mention.

Senator LODGE. And no such meeting as is described here ever occurred?

Senator JONES. No.

Senator LINDSAY. Did you ever see any paper prepared by Mr. Caffery, and indorsed by the sugar trust, sent into the Finance Committee room?

Senator JONES. No; I never did, and I wrote that first sugar schedule that was in the first report of the tariff bill. That is my recollection. There was no suggestion on the part of anybody else; but talking to these men and being satisfied that there was no such thing as getting a schedule that would be satisfactory to the different Senators who were there present, I made up my mind about what I thought would be a fair one and wrote it out in that way.

The committee adjourned until Thursday, May 31, 1894, at 10 o'clock a. m.

WASHINGTON, D. C., *May 31, 1894.*

The committee met at 12 o'clock m.

Present: The chairman (Senator Gray) and Senators Lindsay, Davis, Lodge, and Allen.

The chairman announced that the committee had agreed to incorporate in the record the entire article published in the Philadelphia Press Monday morning, March 14, 1894.

The article is as follows:

TOLD AT LAST.

The full story of the dexterous work of the sugar trust—Cleveland et al. to the bar—Shameful pledges made before the election now on the verge of being fulfilled—Pure barter in legislation—Hundreds of thousands of dollars given in the campaign of 1892 deftly wove the net about the Administration—Trust now holds the whip—Schedules submitted to Havemeyer for approval before being reported—Speculative Senators enrich themselves—A national disgrace.

[From the regular correspondent of the Philadelphia Press.]

NEW YORK, *May 13.*

When Senator Brice predicted that the Senate would take a vote upon the tariff bill sometime in the first week in June he might have also said that upon that day there would be ended one of the strangest, most scandalous, and yet instructive chapters in American political history. He would have been accurate had he said that this chapter was written when the amended sugar schedule and, in fact, the so-called Gorman amended bill was published and laid before the Senate in the first week in May. For, whatever may be the action of the Senate upon this or any other tariff measure, that strange chapter which reveals a great party and the leaders of that party completely dominated by a handful of men who control one of the chief industries of the United States was ended when the so-called Gorman bill was caucused. Nearly two years ago it began to be written. The first lines were penned when representatives of this colossal monopoly, representatives of Mr. Cleveland—probably Mr. Cleveland himself—in the summer of 1892, soon after Mr. Cleveland's nomination, came into agreement as to the disposition of the administration, if Cleveland were elected, and the party toward the sugar-refining industry of the United States. The chapter was continued during the campaign, and then there was a hiatus until Mr. Wilson began with his Ways and Means Committee the work of framing a tariff bill. From that day until the 5th of May those things were done in rapid, dramatic, and sensational succession, which have made it possible to complete the chapter so that it can now be written in detail and made public.

It was not possible to tell fully the relations of what is called the sugar trust to the administration, the Democratic politicians, the Cabinet, and the Senate until after this so-called Gorman bill had been made public. Bits of the story have occasionally appeared in the public prints, and the newspapers have been full of sketches and reports suggesting first the crafty and then the audacious approach of the representatives of this industry upon the men whom the Democratic party had placed in power. But many of the most important and suggestive incidents have not been made known to the public, nor has it been possible to arrange them in proper order so that the sequence of events, the operation of cause and effect, could be clearly, logically, although, in part, inferentially set forth. It is possible now to do this, and as many of the events, most of the inspiring causes which led to the results were developed in New York City, the story that is to be told is indeed a tale of two cities, one the commercial and the other the political capital of the nation.

THE TRUST WAS PREPARED.

The public did not know until after the election of 1892 that the corporation which is commonly known as the sugar trust had ever taken any active interest in politics. Like every great corporation which has reason to apprehend or desire legislation, it had been so made up that men claiming to be Democrats and others claiming to be Republicans were prominent in its management. It was precisely in that condition which Jay Gould once confessed himself always to be in. It had Republican influence for Republican service, and it had Democratic anchors cast

out to hold the Democratic party. On the whole, however, the sugar trust was a Democratic association. The two Havemeyers were always Democrats. Cord Meyer, jr., was not only a Democrat by inclination, but had been a practical politician. He was long associated with the Cleveland faction, but when Mr. Cleveland betrayed that faction into the hands of Tammany Hall Mr. Meyer, instead of resenting, accepted a Tammany nomination for secretary of the State of New York.

John E. Searles, the craftiest, smoothest, most diplomatic, and men have said the oiliest member of this association, an energetic and enthusiastic Sunday school superintendent, a man with a wonderful capacity for concealing purpose, not by silence, but by speech, had been of vague Republican association. It was through Mr. Searles that the leaders of the Republican campaign were able to obtain some financial aid from the sugar trust. Mr. E. C. Benedict was not actively engaged in the management of the trust, although his interests were with it to a considerable extent, and it has been the belief that he has been one of those who profited greatly by its opportunities for speculation.

In the summer of 1892, after Mr. Cleveland's nomination, Mr. Benedict, Mr. Havemeyer, Mr. Cleveland, and one or two others, had a conversation, either in Greenwich or upon Mr. Benedict's yacht, in which the sugar interests were earnestly discussed, and those interested as affected by the situation in the Hawaiian Islands particularly analyzed. There is no doubt now that at this meeting there were planted the seeds of the policy developed by Mr. Cleveland after he became President toward the Hawaiian Islands. At that time and subsequently there came about understandings between Mr. Cleveland and these friends of his which, if they could ever be fully exposed, would explain completely that miserable and strangely unreasonable Hawaiian incident.

It is known that at Lakewood before Mr. Cleveland became President and after the successful revolution in Hawaii had been made known to President Harrison's administration, a meeting took place at which the determination was reached to overthrow the revolutionists and restore the Queen. Mr. Cleveland may or may not have been knowingly a party to the influences of the sugar trust then brought to bear upon him. Whether he did it or not he responded to them, and he went to Washington determined to appoint Mr. Blount his special commissioner; he went to Washington with a purpose which compelled his Secretary of State to act merely as a clerk engaged in the recording of that purpose. It was he who announced to Gresham the determination to appoint Blount, he who instructed his Secretary of State to draft the letter, and Gresham has patiently, uncomplainingly, but with a sense of humiliation, borne such reproaches as have been heaped upon him as the supposed instigator of this policy. It was instigated by the sugar people, accepted by Mr. Cleveland at Lakewood, and it was this acceptance which caused him to cling with such desperate obstinacy to the policy after it had been made apparent that the American people repudiated it.

We do not know what purposes the sugar people had with reference to Hawaii. We do know that these sweetened magnates were desperately opposed to the establishment of the Provisional Government and the annexation of the Hawaiian Islands to the United States, and we do know that they held the administration with a stubbornness and relentlessness that was humiliating even to Cleveland himself to that policy which would make for their interests. This incident of itself would seem to have no bearing upon the relations of the sugar people to Congress with respect to the sugar tariff. But when other things are set forth later in this story, then the importance of this incident can not fail to be most impressively understood.

It ought to be said just here that so greatly had Mr. Cleveland changed in the estimation of men who once looked upon him as the ideal representative of whatever was lofty, noble, and of high integrity in public life, that it is now impossible to persuade any of those who are familiar with the operations of the sugar trust to believe that Mr. Cleveland, through his friends and before he became President, was not able to make profitable investments in the securities of that corporation. But even if he did so, there is no accusation or belief that any personal interests he might have had in that corporation were the influencing motives toward those things that have happened of late. These motives, so far as he and his administration were concerned, were purely political, really partisan, and not pecuniary.

THE TRUST AND THE ELECTION.

We come now to the relation of the sugar trust to the national campaign of 1892. It made subscriptions to both parties, and the Republican national committee was rejoiced when, upon a day when money was needed, it received a subscription from men identified with the trust, really from the trust itself, of $40,000. It was pre-

sumed that this corporation, as so many others had been in the habit of doing, had divided its contribution equally between the representatives of the two parties.

There came a time in the management of the Democratic campaign when money was imperatively needed. The sugar trust had already subscribed something, but as we look back upon the events of that campaign it is impossible not to be convinced that the greater subscription of the trust was held back until there could be a satisfactory understanding with the influential Democrats who were managing the campaign. In the stress which the need for money had occasioned these managers were willing to pledge almost anything for cash. Some of the pledges were inferential, as in the Van Alen case; some of them explicit. Whether Mr. Whitney, Mr. Gorman, or Mr. Brice met the representatives of the sugar trust, or whether it was some other agent, must not now be said. Whitney was intimate with them through close business relations; Brice was associated with them through friendly alliances and particularly through his friend, H. L. Terrell, of Cleveland, "Brice's Terrell," as they called him; and Mr. Gorman was brought into close association with them and by another agency which it may be well at present not to reveal.

At all events the appeal was made to these men for money, and upon the distinct pledge, as will be shown later on, that there would be no legislation at the hands of the Democracy which should be antagonistic to the interests of the sugar people, and if there were any legislation at all it should be friendly, the sugar trust went deep into its capacious treasury. The subscriptions may have been given as individual contributions, but such gift was a pure fiction if it was made in that way. It was a sugar-trust subscription to the national campaign committee in return for pledges which were afterwards insistently demanded to be redeemed.

The subscription was the magnificent sum of $500,000. And at another place in this article there will be reported a distinct and emphatic admission of this subscription and pledge from one of the highest officers of the Government of the United States.

A part of this money bought Colorado for the Populists, a part of it brought about Populist alliances elsewhere, a part of it was used in Illinois, and there is no doubt that this great fortune was mainly instrumental in securing those alliances and influencing those purchasable or discontented elements whose action upon election day caused such astounding results in the West. Of course the party leaders felt under the highest obligations to these men of the sugar trust. Mr. Cleveland could not avoid acknowledging the mighty debt which the party owed and which he himself owed to these men. He acknowledged it in private conversation before he went to Washington, to the amazement of some of his reform club friends, declaring that he believed that there ought to be a duty upon sugar, and that the great refining interests of this country ought not to be imperiled by any tariff legislation.

The sugar trust believed that the pledges would be kept, and although many other manufacturing interests in the United States were alarmed by the reports of the purpose of the Ways and Means Committee of the House to bring in a tariff bill revolutionizing the policy of the Government yet the managers of the sugar trust seemed to be strangely indifferent to the Ways and Means Committee and to what it might propose to do. When one of these gentlemen was asked if he was not afraid the committee might admit all sugar free, raw and refined, he replied: "We don't care what the House does. We own the Senate and we control the people at the other end of the avenue. No bill will become a law which will threaten our business."

A PIECE OF STRATEGY.

The appearance of representatives of the sugar people in Washington at the time the bill was under consideration both in committee and in the House was a mere piece of business strategy. There was no expectation that the House could be controlled. The consultations held in this city resulted in the adoption of a policy of gentle persuasion. The sugar people were to be represented in Washington just as other manufacturing interests were to be represented, and there would, of course, have been no outbreaks of indignation had not the House gone even further than was expected it would do and decided upon a policy which Mr. Havemeyer said would put an end to sugar-making and sugar-growing in the United States. He meant, of course, sugar-making by the trust.

It was his indignation which followed this revelation of the temper of the House which caused Mr. Havemeyer, for the first time in his life, to put an end to the silence which has always been characteristic of him and to speak with an angry wail and for publication. It was then that he said: "I have always been a Democrat, but if this is Democracy I am done with it." It was then that he intimated that there had been gross breaches of good faith, and those who know how almost uncontrollable Mr. Havemeyer is when he permits passion to get the better of him, have since wondered that he did not, being forgetful of himself, declare that the

Democratic leaders had made pledges that the sugar industry was not to be harmed and were now permitting those pledges to be violated.

After this burst of passion the active, aggressive, defiant campaign of the sugar trust began, and it began not, as many have supposed, at the Capitol end of Pennsylvania avenue, but at the White House end. When the bill reached the Senate, the representatives of the trust—in fact, the trust itself—set up its citadel in Washington, with a base of supplies well established in New York. One of the leading members of the corporation began to visit Secretary Lamont. He took to that young politician the story of the subscription of the sugar trust, its service in the campaign to the party, reminded him that but for its aid there might not have been a Democratic administration in Washington, and insisted that the pledges made then should be redeemed so far as the administration itself could bring it about.

That member of the trust must have received early information of the purposes of the White House end of the avenue, for he came back to New York while the bill was still pending in the mysterious chamber of which Senators Vest, Jones, and Mills alone had the key, and he reported that there was no longer occasion for alarm, that the administration would see to it that Democratic campaign pledges to the sugar trust were not repudiated, and that there would be either no tariff bill at all, or else one with which the trust could find no serious fault. From the time of that announcement here until this day there has never been any doubt among well-informed men that the Wilson bill was dead and that whatever might happen the pledges of the Democratic leaders to the sugar trust were to be redeemed.

The pressure upon the west end of Pennsylvania avenue was not confined to a single member of the administration, Mr. Lamont; it touched every member of the Cabinet with one exception, and it, of course, reached Mr. Cleveland, finding him not reluctant. The trust sent Senator Brice himself to the President. He found that Mr. Cleveland was not irresponsive, but cordial and earnest in his response to a suggestion.

Mr. Cleveland took, in that interview, nothing but the political and partisan view. He did not particularize, of course, the sugar trust, but he expressed annoyance over the tendency in the Senate, dissatisfaction with the Wilson bill, admitted that mistakes were being made and pledges violated, and spoke of the loss of support to the Democratic party which would be occasioned by the passage of such a bill as the subcommittee of the Senate were reported to be considering. There were other evidences that this purely political and partisan pressure was being brought to bear. Senator McPherson revealed it. It has not been told hitherto how he, upon one occasion in the presence of the Democratic members of the Finance Committee, stormed and raved, going almost into a frenzy of passion, intimating that the party was prepared to stab the men who saved it, and at last, in the fury of his indignation, turned and left the room.

AN EXTRAORDINARY INCIDENT.

But the highest, the most emphatic and sufficient indication that the administration was bound to maintain these campaign pledges and to protect the men who had given half a million dollars, was furnished by an extraordinary and unexpected incident that happened not long after the Wilson bill went to the Senate. Senator Brice had represented to the President that these 3 trans-Mississippi Senators, who had charge of the bill, were determined to make sugar of all sorts absolutely free. Meyer and Croker had represented the same thing to Dan Lamont. Whitney and Benedict indirectly approached the administration protesting, and at last the administration determined to act.

Upon one occasion, some time in February, when the Finance Committee, or the Democratic members of it, were in perhaps informal session, there came into the room, unexpectedly to all those present, excepting two members, none other than the Secretary of the Treasury, Mr. Carlisle. His going there at that time has never been reported until this writing of it. He went secretly and came away secretly. His visit was supposed to be a confidential one. It was a confidence not imposed upon one member of that committee, and, therefore, it is possible now to make report of what Mr. Carlisle said. They looked upon him as speaking, not so much for Mr. Carlisle, as for the administration. He did not say that he came from the President, but when he had finished making his astonishing statement, not one of those who heard him doubted that he had come from the President and was echoing the President's wishes, and giving emphasis to them by an earnest, and for him, excited manner. What he said is quoted from remembrance, but it is substantially accurate, as it was reported by one who heard it. He said:

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"Gentlemen, there is one thing that I am bound to say to you as earnestly and impressively as I can do it, and I speak to you as a Democrat to Democrats. No party or the representatives of no party can afford to ignore honorable obliga-

tions. I want to say to you that there seems to be danger that this is going to be done. Gentlemen associated with the sugar-refining interests (I may tell you what perhaps you do not know) subscribed to the campaign fund of the Democratic party in 1892 a very large sum of money. They contributed several hundred thousand dollars and at a time when money was urgently needed. I tell you that it would be wrong, it would be infamous, after having accepted that important contribution, given at a time when it was imperatively needed, for the Democratic party now to turn around and strike down the men who gave it. It must not be done. I trust that you will prepare an amendment to the bill which will be reasonable and in some measure satisfactory to these interests."

That, in substance, was the plea of Secretary Carlisle to the members of the Finance Committee that they respect the obligations entered into by the national campaign committee and the personal representatives of Mr. Cleveland in 1892. It was a plea powerfully put. Mr. Carlisle said but little more; he had said enough. He turned and left the committee, going away with that secrecy with which he came, but before he did so he signified his willingness himself to prepare an amendment which he thought would be fair to the Government, and yet be just to the sugar interests.

That very thing he did not long after. The chairman of the Finance Committee received and showed to certain favored friends the draft of an amendment in Secretary Carlisle's own handwriting to the sugar schedule, and that draft is in Mr. Voorhees's possession to this day, unless he has destroyed it. Secretary Carlisle had scratched out from the printed schedule the provisions as originally made and by interlineation had inserted the following words: "On all sugars not above No. 16, Dutch standard, and on all." After the word "all" the printed form remained in which mention was made of other sugars, and then this interlineation, "Instead of one-eighth of 1 per cent 45 per cent ad valorem."

There is also upon the blank space at the bottom of the printed sheet, in Mr. Carlisle's handwriting, a clause providing that nothing contained in the bill shall be construed as affecting the Hawaiian reciprocity treaty. So the administration is on record as favoring even a higher rate of protection than was afforded by the so-called Gorman bill. This speech of Secretary Carlisle's is sufficient proof of statements made earlier in this article that the sugar trust contributed $500,000 to the Democratic campaign fund, receiving in return a pledge that no measure should be allowed to pass Congress which endangered the sugar interests.

Just here the other political influences which have accomplished considerable in the way of securing favor for the sugar trust schedule ought to be spoken of. The Democratic party is not hopeful of carrying the next House of Representatives. Its purpose is to concentrate its efforts upon legislatures in the poorer States of the West so that its control of the Senate may be maintained, or at least the control of the Republicans prevented. It has been represented to Senators that if there be kindly consideration shown to the sugar trust, gentlemen connected with that corporation will see to it that sufficient money is subscribed to carry the legislatures in certain States so that the Democracy may maintain or secure representation from them. This pledge has been given and accepted, subject to the action of the Democratic Senators on the sugar tariff, and while it has not been a conspicuous influence in the Senate it has been a considerable one, and may account hereafter for some of the votes which Senators from close States in the far West which are now either wholly or in part represented by Democrats may give.

We now turn from the purely political and partisan influences brought to bear upon the Senate to others which have been peculiar, in part pecuniary, and out of the use of which have arisen so many scandalous and disreputable stories affecting the honor of individual Senators. It is not bribery known to the statutes or common law for a member of a parliamentary body to speculate upon the probable course of legislation. It is not even disreputable according to the peculiar moral code which has enabled Senator Brice, Senator Smith, and some others to accumulate wealth.

When the bill was before the subcommittee of the Finance Committee of the Senate some of the officers and managers of the sugar trust established themselves in Washington, being in New York a part of the time and in Washington at frequent intervals. Upon one occasion there were gathered in a room in a Washington hotel Mr. Havemeyer, Senator Brice, Senator Smith, of New Jersey, "Brice's Terrell," and one other man whose name it may be worth while to withhold for the present. At that interview Mr. Havemeyer displayed a great deal of indignation. He rebuked Senator Brice for failing to secure such influence in the Senate as the sugar people expected him to secure. He turned to Senator Smith and asked him bluntly, almost brusquely, what he was going to do to maintain the pledges of the party leaders to the sugar men and to secure a satisfactory schedule. Senator Smith replied that he did not see what he could then do, but he said there was always this consolation, that if they could not secure the schedule they wanted they could surely defeat the bill, leaving the present law operative.

HAVEMEYER SHOWS HIS TEETH.

Mr. Havemeyer did not seem to feel so sure about that. At all events he was persistent in pleading for a complete abandonment of the subcommittee's policy respecting sugar, and an open avowal of favor towards protection for this American industry. In the course of that conversation it was said that if such a schedule as would be satisfactory was adopted, or even reported, the price of sugar on the market would advance thirty points in thirty days. To men with the speculative instinct as keenly developed as it is in Senator Brice and Senator Smith, it is easy to see what such a statement as that meant for them. However, the meeting that night which lasted until a late hour did not end satisfactorily and Mr. Havemeyer returned to New York the next morning, and that was the day upon which the slump in sugar occurred, a transaction which has since then been regarded as an object lesson most impressive to some of the Senators.

After that and beginning with the first hint of favorable inclination in the Senate, the price of sugar on the market has gradually appreciated until the prediction made in that room that night has been verified, excepting that it has taken longer than thirty days for sugar to go thirty points. Mr. Brice has never denied the accusation publicly made that he has speculated in sugar, nor has Senator Smith cared to say that the reports that he has made half a million dollars by reason of his good fortune in procuring inside knowledge as to the movement of the sugar market are without any foundation. Here we know that the brokers with whom Senator Brice has been accustomed to commit his speculative interests have been very large purchasers of sugar, and we know also that these brokers had inside information as to the action of the Senate upon the sugar schedule. It may be as good a place here as anywhere to relate an incident showing the truth of that statement.

On the very day that Mr. Voorhees, the chairman of the Finance Committee, denied in the Senate that any amendments were proposed to the Senate's bill as originally reported by the Finance Committee, the list of some 400 amendments, as prepared by Senator Jones, was in the hands of one of the members of the brokerage firm of Moore & Schley. He had not arisen when it was placed in his hands. He was in bed, for it was early morning. He sat up in bed and read these amendments, conspicuous among them being the final determination regarding the sugar schedule. So that while the Senate, the House, the country not only knew nothing of these amendments, but were assured by the chairman of the Finance Committee that there were none, Senator Brice's brokers had a copy of the amended bill and the privilege which was denied even to the chairman of the Finance Committee of reading them.

To go back a little. After Mr. Carlisle's address to the Finance Committee, after the meeting between Mr. Havemeyer and Senators Brice and Smith, there occurred an extraordinary thing in the Finance Committee. Senator Vest made a statement which caused Mills to look upon him with amazement, to regard him with suspicion, and some of the other members of the committee to eye one another furtively. The Senator said that he did not see why a duty of one-half of a cent upon raw sugar did not afford sufficient protection to all the sugar interests of this country. If Mr. Vest were a new Senator, such an astonishing assertion as that might have been ascribed to ignorance, but he has been through tariff bill after tariff bill. He looks upon himself as something of an expert, and he must have known that his statement was ridiculous. In view of his earlier position, it seemed not only ridiculous, but strange. It even caused one Senator to say to another, "Vest has flopped." But he followed it with another, even more extraordinary, statement. He said that, in view of the excitement over the sugar schedule, he had been compelled to ask his personal friend, Mr. Joe Rickey, to deprive himself for the time being of the delights of personal intercourse with him, because if he was seen so much in Rickey's company just then it might cause suspicion to be aroused.

Suspicion of what? Mr. Rickey is a speculator upon the market of more than local repute. He knows how to buy and how to sell. He is reputed to have made several fortunes because he has let his speculative instinct have his way with him. Did Senator Vest mean to intimate that it might be said if he changed his action in regard to sugar that his relations with Mr. Rickey would cause it to be suspected that Mr. Rickey might have gone upon the market having the advantage of prior knowledge that would boom sugar stocks? Senator Vest afterwards took occasion upon the floor of the Senate to deny an accusation publicly made that he had ever bought a dollar's worth of sugar certificates, and when he made that denial there were Senators who, remembering that queer comment about Joe Rickey before the Finance Committee, wondered if Mr. Rickey himself could with equal truthfulness have made such denial as that.

SUGAR-TRUST DOMINATION.

We had, upon the Sunday before the bill as first reported was sent to the Senate, a striking illustration of the absolute domination of the sugar trust over the Democratic members of the Finance Committee. That was an all-day and half the night

session and upon the Sabbath day. In one room were the Democratic members of the Finance Committee and also, in the wing of the Capitol, were the representatives of the sugar trust. There were Havemeyer, and Terrill, and Meyer, Ben Le Fevre, and others. These men sat as the rulers of a political convention sit, in a place apart and yet within instant communication of those who are to act. There we are runnings back and forth between the Finance rooms and the quarters occupied by the trust all day. Everything had been arranged up to the point of satisfying the Louisiana Senators. Even the trust had realized that it was necessary for the Democratic party to placate these Louisiana men, or else there would surely be two votes against the bill. It was a question of compromise, each side giving a little and taking a little.

At one time it seemed as though the whole negotiation must go to pieces. Never was there more desperate battle between conflicting interests in the committee rooms of the Capitol. At last, late that evening, Senator Caffery drafted a schedule, Mr. Havemeyer looking over his shoulder and the other members of the sugar trust watching the Senator with eyes that fairly glittered, so one Senator who saw that spectacle afterwards reported. It was the crucial moment. When Senator Caffery had finished, the sugar trust read his draft, reluctantly accepted it, it was taken to the room of the Finance Committee and there accepted, the victory won and the original draft is still in the possession of the committee in Caffery's handwriting and with the approving marks of the sugar trust upon it.

It was after this was done that word was brought to New York and confidential information given to a company of conspicuous Democrats that the sugar trust had clinched the Senate, and that their interests were now protected whatever was done by the Senate. There was also given such narration of these events as has made it possible to tell much of this story. It is a story not picked up upon the streets, not the gossip of idle chatterers, but comes directly from the mouths of men who had part in it.

ENTER THE STANDARD OIL.

There remains one more thing to be told of the direct influence of the trusts upon the Senate, and that thing explains the sudden, amazing Democratic caucus called by Gorman on Friday of the week before last. The Standard Oil people had apparently taken little interest in the proposed tariff legislation. But this indifference was apparent, rather than real. Some time early in the first week in May the exceedingly subtle representatives of that colossal trust appeared in Washington. The fine hand of William C. Whitney, a greater Jesuit and diplomatist even than Brice, Gorman, or Hill, caused this final play.

The Standard Oil people came, bearing a plea for union of interests. They succeeded in overcoming Brice's opposition to the whisky trust, an opposition believed to have been caused by the manner in which that trust once clipped the Senator's financial wool. The other trusts were taken into consultation, and within a few hours there came agreements which caused the relation of the bill to the Senate to be entirely changed. The Standard Oil, the sugar, and the other trusts being now satisfied, the Senators whom they control content, it was suggested that immediate advantage be taken of that condition to cause a caucus to be held; so that within forty-eight hours after the Standard Oil went to Washington, Gorman had delivered his party, being aided preliminarily by Brice and Smith, into the hands of the trusts.

One thing was decided upon at the meeting of the trusts which has not, until this writing, been made public. The suggestion came from the Standard oil men. It was this: "Let it be said for us that we do not oppose the income tax; that we feel that we ought not to oppose it, since we can better afford to pay 2 per cent on a million than not to have a million at all. As the Government now proposes to protect us, so that we can make money, we are willing to pay back to the Government 2 per cent upon the money which we make, thanks to its favor." That is the plausible statement which they expect to send forth; but the real reason for this sudden advocacy of the income tax is that as the bill now is it will be repugnant to the House unless it carries back to that body a sop, and that sop is to be the income tax. That argument was definitely, positively set forth and agreed to at the meeting between the representatives of these trusts and Mr. Gorman, Mr. Brice, and the two or three others who arranged these things.

Of course it has been made plain that after the Democratic members of the Finance Committee, although denying it, had yielded to the sugar trust and the other trusts, it became essential to make other concessions in order to secure the support of certain Senators who had not been particularly involved in these trust negotiations, and that, as the Washington dispatches have clearly set forth, was accomplished in a hurry, Senator Gorman going even so far as to plead with certain interests to alter their schedules before the caucus had taken action. Most of these interests were able to take advantage of the proposition, but the woolen one was, either through negligence, incompetence, or downright treachery of some of those who

had its matters in charge, passed by without obtaining the concessions which Gorman had promised to give if they would ask for. As it is, then, the bill now is a trust creation pure and simple, and whatever may be said of its relation to the Democratic platform or Democratic policies it fulfills those great obligations entered into with members of the conspicuous trusts at the time of the national campaign, and for which subscriptions aggregating nearly three-quarters of a million of dollars were received.

There is one other feature of this matter which we hear much discussed in New York, and that is the real disposition of the sugar-trust people toward this bill and their opinion regarding the likelihood of its passage. The disposition may be explained in a few words. If the bill can be passed with the proviso that the sugar schedule is not to go into effect till next January then the sugar people are intensely interested in its passage. If that proviso should be omitted the trust does not care greatly whether the bill be defeated or not. With the January proviso in a very careful estimate has been made of the profits which will accrue to the trust, every penny of which will come out of the people, and will represent a diversion of revenue from the U. S. Treasury to that of the trust.

THE TRUST GOT A BARGAIN.

Careful computations have been made here as to the value of the colossal prize which lies in this January proviso. Making an estimate upon importations of sugar for the last year from foreign countries and upon that figuring the revenue that would be received by the Government at the proposed rate upon raw sugar, and adding to it the profits which the sugar refiners would make upon the manufactured article, the estimate is that this January proviso would mean the enormous sum of $56,000,000 to the sugar trust. Of that amount at least 75 per cent ought to go to the Government, because the sugar people controlling this importation and getting it free of duty would nevertheless place upon the refined sugar made from that held in bond the duty imposed by the Government.

The sugar people here feel that the great danger which this provision will be exposed to when it is discussed will be the argument that will show that it will completely neutralize the purpose of the bill itself. For it will, instead of getting the Government for the next year the duty from sugar, deprive it of it, so that for a year at least the calculations of the makers of the bill of the amount of revenue the Government would receive under it would all go for naught.

We get what seems to be conclusive proof that already the sugar trust has contracted for practically the entire product of Cuba, the British West Indies, Puerto Rico, and nearly all the raw sugar produced elsewhere that will be grown this year. That sugar, if the January proviso goes into effect, will be hurried to this country and placed in warehouses. Before January every pound of sugar, excepting that of Louisiana, which the refiners expect to use, will be in this country and free of duty. The trust has already in stock 300,000 tons of sugar, or all the raw sugar there is in this country, excepting about 30,000 tons.

There are evidences furnished to the bankers not only of these contracts, but of the forwarding of the money to pay for some of them. The sugar trust, which has been a large loaner of money upon the street, has called in its loans, and its financiers have been negotiating for gold for export to pay for this season's crop of sugar. While it is not easy or even possible to trace the gold that has been exported recently to the purpose that led to its export, nevertheless the Wall street bankers are convinced that very much of it represents payments by the sugar trust on account of purchasing of sugar in the West Indies and elsewhere. If this January proviso be added the drain of gold must greatly continue, for an enormous sum will be necessary in order to make payment upon this crop.

Thus it is possible to show the relations of this great corporate monopoly to the Democratic party and its tariff measure. Of the vast fund of incidents and facts that have been accumulated through a careful investigation a sufficient number have been selected to show the political pressure which the trust has been able to bring upon the administration and Congress, and also to indicate what the other influences were which were exerted, and how the splendid opportunities the market afforded for gaining enormous wealth must have tempted so many Senators to take advantage of them as to have influenced the action of the committee and completely change the principle of the bill from that which was in it when it was reported from the House to the Senate.

HOLLAND.

SWORN STATEMENT OF SENATOR JOHN R. McPHERSON.

The CHAIRMAN. You are a Senator of the United States and a citizen of the State of New Jersey?

Senator McPHERSON. I am.

The CHAIRMAN. How long have you been such?

Senator McPHERSON. Since 1877.

The CHAIRMAN. And you are now?

Senator McPHERSON. And I am now.

The CHAIRMAN. Are you a member of the Finance Committee of the Senate?

Senator McPHERSON. I am.

The CHAIRMAN. Are you a Democratic member of the Finance Committee?

Senator McPHERSON. I am.

The CHAIRMAN. In a letter purporting to be written from New York, in the Philadelphia Press of May 14, 1894, signed "Holland," there is, among other things, this statement:

Upon one occasion, some time in February, when the Finance Committee, or the Democratic members of it, were in, perhaps, informal session, there came into the room, unexpectedly to all those present excepting two members, none other than the Secretary of the Treasury, Mr. Carlisle. His going there at that time has never been reported until this writing of it. He went secretly and came away secretly. His visit was supposed to be a confidential one. It was a confidence not imposed upon one member of that committee, and, therefore, it is possible now to make report of what Mr. Carlisle said. They looked upon him as speaking, not so much for Mr. Carlisle as for the administration. He did not say that he came from the President, but when he had finished making his astonishing statement not one of those who heard him doubted that he had come from the President and was echoing the President's wishes and giving emphasis to them by an earnest and, for him, excited manner. What he said is quoted from remembrance, but it is substantially accurate, as it was reported by one who heard it. He said:

"Gentlemen, there is one thing that I am bound to say to you as earnestly and impressively as I can do it, and I speak to you as a Democrat to Democrats. No party, or the representatives of no party, can afford to ignore honorable obligations. I want to say to you that there seems to be danger that this is going to be done. Gentlemen associated with the sugar-refining interests (I may tell you what perhaps you do not know) subscribed to the campaign fund of the Democratic party in 1892 a very large sum of money. They contributed several hundred thousand dollars, and at a time when money was urgently needed. I tell you that it would be wrong, it would be infamous, after having accepted that important contribution, given at a time when it was imperatively needed, for the Democratic party now to turn around and strike down the men who gave it. It must not be done. I trust that you will prepare an amendment to the bill which will be reasonable and in some measure satisfactory to these interests."

That, in substance, was the plea of Secretary Carlisle to the members of the Finance committee, that they respect the obligations entered into by the national campaign Committee and the personal representatives of Mr. Cleveland in 1892. It was a plea powerfully put. Mr. Carlisle said but little more; he had said enough. He turned and left the committee, going away with that secrecy with which he came, but before he did so he signified his willingness himself to prepare an amendment which he thought would be fair to the Government and yet be just to the sugar interests.

What have you to say as to your knowledge of any incident like that having occurred?

Senator McPHERSON. I will state, Mr. Chairman, that I was very seldom in the Finance Committee until after the 1st of March, but nobody ever made any such statement as that in my presence.

The CHAIRMAN. Did Secretary Carlisle ever come, as stated in this article, and make a plea such as that, or anything of that kind?

Senator McPHERSON. Never, in my hearing.

The CHAIRMAN. Did you ever hear from any other member or members of the committee that he had done so?

Senator MCPHERSON. I never did.

The CHAIRMAN. Do you know anything of his coming secretly to the committee room to interview anyone?

Senator MCPHERSON. I do not.

Senator DAVIS. Secretly, or in any other manner?

Senator MCPHERSON. I do not. I was not a member of the subcommittee, and therefore had very little to do with the bill, and was very seldom in the committee room. I have seen Mr. Carlisle in the Finance Committee room, however, on one or two occasions, but I can not give the dates.

The CHAIRMAN. Nothing of the kind ever occurred in your presence or to your knowledge?

Senator MCPHERSON. Nothing of that kind ever occurred in my presence or to my knowledge.

Senator DAVIS. When did you first hear that any such thing was charged?

Senator MCPHERSON. I never heard of it until I read it, I think, in this paper.

The CHAIRMAN. It goes on to state in the latter part of it:

That very thing he did not long after.

That is, to draw up a provision for the sugar schedule:

The chairman of the Finance Commitee received and showed to certain favored friends the draft of an amendment in Secretary Carlisle's own handwriting to the sugar schedule, and that draft is in Mr. Voorhees's possession to this day, unless he has destroyed it. Secretary Carlisle had scratched out from the printed schedule the provisions as originally made and by interlineation had inserted the following words: "On all sugars not above No. 16 Dutch standard and on all," after the word "all" the printed form remained, in which mention was made of other sugars, and then this interlineation "instead of one-eight of 1 per cent, 45 per cent ad valorem"

Did you see such a draft in his handwriting?

Senator MCPHERSON. No, sir; and I have no knowledge of it.

Senator DAVIS. Did you ever hear that any such paper in Secretary Carlisle's handwriting was in existence?

Senator MCPHERSON. No, sir; I never heard of it until within the past two or three days, and then only from rumor.

Senator ALLEN. This rumor growing out of this investigation?

Senator MCPHERSON. I think rumor in the newspapers.

Senator LODGE. It is also stated in this article as follows:

Mr. Cleveland took, in that interview, nothing but the political and partisan view. He did not particularize, of course, the sugar trust, but he expressed annoyance over the tendency in the Senate, dissatisfaction with the Wilson bill, admitted that mistakes were being made and pledges violated, and spoke of the loss of support to the Democratic party which would be occasioned by the passage of such a bill as the subcommittee of the Senate were reported to be considering. There were other evidences that this purely political and partisan pressure was being brought to bear. Senator McPherson revealed it. It has not been told hitherto how he, upon one occasion, in the presence of the Democratic members of the Finance Committee, stormed and raved, going almost into a frenzy of passion, intimating that the party was prepared to stab the men who saved it, and at last, in the fury of his indignation, turned and left the room.

Senator MCPHERSON. There is no truth in that statement whatever. I will state, however, that the committee and myself disagreed as to the sugar schedule. I did not favor the sugar schedule presented, and I did rave some over that.

Senator LODGE. Did you ever state to them that they ought to put

duties on sugar of certain character, and that they were under obligations to members of the trust?

Senator McPHERSON. No, sir; I knew nothing of any obligations to members of the trust, and I never stated to them anything more than, on one occasion, I stated the contention of a sugar-refiner in my State. There was a personal friend who asked me to present it. I simply stated it to the committee, and I, myself, voted against it.

Senator LODGE. What was that contention?

Senator McPHERSON. I was told he wanted a duty of one-quarter of a cent on refined sugars.

Senator LODGE. A differential duty?

Senator McPHERSON. A differential duty. This was Mr. Matthieson, of Jersey City.

Senator LODGE. Is that refinery a part of the trust?

Senator McPHERSON. That refinery is a part of the trust. I did not see Mr. Matthieson himself, but a friend of his.

Senator LODGE. You did not urge the committee to give duties on sugar upon any ground of obligations to any member or members of the sugar trust?

Senator McPHERSON. I did not. On the other hand I did this: I prepared a sugar schedule which provided that there should be a duty levied on sugar at 80° of 1 cent per pound. Above that up to——

Senator ALLEN. Polariscope test?

Senator McPHERSON. Polariscope test, up to 90. This was one-hundredth of a cent additional up to 90; two-hundredths of a cent additional up to 96, which was a dividing line between raw and refined sugars; three-hundredths of a cent above 96—all by polariscope test, which, as I understood, would give the sugar people less than 1 mill per pound for refining.

Senator DAVIS. Was that specific or ad valorem?

Senator McPHERSON. The duty was a specific duty. It is by polariscope test. That was the amendment that I offered in committee, and it was not agreed to by the committee. You will remember, further, that when the bill was reported I gave notice of my intention to move an amendment upon the floor to the sugar schedule, and also to the income-tax features of the bill.

Senator ALLEN. Your amendment was printed at one time?

Senator McPHERSON. The amendment was printed, not exactly as I offered it, but with a little addition, which I accepted, which would give them, at the very outside, sixteen one-hundredths of a cent, and nothing to the bounty countries, nothing whatever that might compensate for the bounties that might be paid. That was a bill printed, I think, that contained this schedule, but it was not reported in that form to the Senate.

That is the only proposition I ever offered, and that was the one I should have offered in the Senate.

Senator LODGE. Did the refiners advocate ad valorem duties?

Senator McPHERSON. I think the refiners were desirous of having ad valorem duties, although I never came in contact with any of the refiners whatever, save one, and he asked me for the privilege—or a friend did—of calling upon me to show the unfairness of my proposed sugar schedule.

Senator DAVIS. That is the gentleman before referred to?

Senator McPHERSON. No, sir. The gentleman who called upon me simply communicated to me, as a friend, what Mr. Matthieson desired. I told him I could not agree to Mr. Matthieson's wishes. Afterward a

friend came and said he wanted to know if I would see Mr. Searles. I told him yes. Mr. Searles came to my house one evening and he undertook to show by figures that the proposition that I made would give the trust nothing—at least would give the sugar-refiners nothing—and they could not live under it. That was all. He is the only man I ever saw on the subject who was in any way identified——

Senator ALLEN. Is this John E. Searles, who is said to be the agent of the trust?

Senator MCPHERSON. I do not know what he is. He is Mr. Searles who, I think, is the secretary of the American Sugar Refining Company.

Senator LODGE. Did you hold that interview with him at your house?

Senator MCPHERSON. I held that interview with him at my house.

Senator LODGE. Did you see him at any other time?

Senator MCPHERSON. No, sir. I saw him at no other time and nowhere else.

Senator LODGE. That is the only interview you ever had with him?

Senator MCPHERSON. I am not certain about that—whether he came back the second time. I can not speak from positive knowledge, but I saw him nowhere else, and I never saw anybody except in my house. This winter I have gone nowhere.

Senator LODGE. Did you see Mr. Havemeyer?

Senator MCPHERSON. I never saw him in my life; I do not know him.

Senator LODGE. Mr. Searles was the only person you saw?

Senator MCPHERSON. Yes, sir; Mr. Searles was the only person I saw. He asked the privilege of coming to see me, and when making legislation I never refuse to see anybody who desires to instruct me in those matters; especially is this true in tariff legislation.

Senator LODGE. This statement in the press which I have read to you relates apparently to when the Wilson bill came over to the Senate, putting all sugars on the free list, and represents that you remonstrated against that.

Senator MCPHERSON. Well, I never remonstrated. If my counsel had been taken the Wilson bill would have been presented to the Senate without amendment. I would be in favor of putting sugar on the free list, provided it could be done and secure the needed amount of revenue. I was not certain that the income tax would yield the needed amount of revenue. In short, I was quite certain it would not, because from the best figuring I could make about it—and I studied the subject a great deal, and had other gentlemen more competent than myself to assist me—I determined that the income tax as it came from the House would not yield more than $15,000,000 per annum. Therefore, it was entirely insufficient for the purposes of revenue, and there were other difficulties in the way here, and I never committed myself to free sugar, although I was in favor of the lowest possible duty, and not to give the sugar refiner anything more than his labor cost (as we were giving to other manufacturers, as I supposed, in the bill) on the process of refining.

Senator LODGE. Then, I understand you to say that this report that you stated that the Democrats were under obligations to the members of the sugar trust, which obligations had to be kept, was entirely unfounded?

Senator MCPHERSON. I never knew of any obligation to the sugar trust.

Senator DAVIS. The question is, whether you ever stated it.

Senator MCPHERSON. No, sir; I could not have made such a statement seriously for any serious purpose, and therefore could not have made it at all.

Senator LODGE. You say you never knew of any?

Senator McPHERSON. No, sir; I never even knew of any.

Senator ALLEN. Did you ever say anything from which a deduction of that kind may be made?

Senator McPHERSON. You never know what a man may say in a joking way, but I never had any serious conversation at that time, or any other time, from which anybody could draw such an inference as that. I have heard the statement made, however, that the sugar refiners were in the habit of giving the Democratic side a small contribution and the Republicans a large one.

Senator ALLEN. Nothing of the kind took place?

Senator McPHERSON. No, sir; not at all.

Senator LODGE. There is this further statement in the newspaper article.

We had up on the Sunday before the bill as first reported was sent to the Senate, a striking illustration of the absolute domination of the sugar trust over the Democratic members of the Finance Committee. That was an all-day and half-the-night session, and upon the Sabbath day. In one room were the Democratic members of the Finance Committee and also, in the wing of the Capitol, were the representatives of the sugar trust. There were Havemeyer and Terrill and Meyer, Ben Le Fevre and others. These men sat as the rulers of a political convention sit in a place apart and yet with instant communication of those who are to act. There were runnings back and forth between the Finance rooms and the quarters occupied by the trust all day. Everything had been arranged up to the point of satisfying Louisiana Senators. Even the trust realized that it was necessary for the Democratic party to placate these Louisiana men, or else there would surely be two votes against the bill. It was a question of compromise, each side giving a little and taking a little.

At one time it seemed as though the whole negotiation must go to pieces. Never was there more desperate battle between conflicting interests in the committee rooms of the Capitol. At last, late that evening, Senator Caffery drafted a schedule, Mr. Havemeyer looking over his shoulder, and the other members of the sugar trust watching the Senator with eyes that fairly glittered, so one Senator who saw that spectacle afterwards reported. It was the crucial moment. When Senator Caffery had finished, the sugar trust read his draft, reluctantly accepted it, it was taken to the room of the Finance Committee and there accepted, the victory was won, and the original draft is still in the possession of the committee in Caffery's handwriting and with the approving marks of the sugar trust upon it.

Do you know anything about any such meeting?

Senator McPHERSON. Nothing in the world. I really know nothing about it, and had no suspicion of any such convention of big men. I had no reason for suspecting any such thing.

Senator LODGE. You were not present at a Sunday meeting of that kind?

Senator McPHERSON. I was present at one Sunday meeting. Was this the Sunday before the bill was reported?

Senator LODGE. This was before the bill was reported.

Senator McPHERSON. I do not remember being present at a Sunday meeting just prior to the day the bill was reported. I know I was present at a Sunday meeting just before our Democratic conference or caucus was held.

Senator LODGE. You never knew of any such meeting as is described there?

Senator McPHERSON. Oh, no; I never saw anything to indicate or lead me to suspect that there was any such a thing happening around the Capitol.

The CHAIRMAN. On Sunday, or on any other day?

Senator McPHERSON. On Sunday, or on any other day. I want the committee, however, to understand that my meetings with the committee were very infrequent.

The CHAIRMAN. You were in very bad health then?

Senator MCPHERSON. I was in very bad health, and could not attend the meetings, and I thought it better for me to wait until they had practically agreed themselves upon the bill, and if I had any objections to offer I would offer them.

Senator ALLEN. You were absent a portion of the winter?

Senator MCPHERSON. I had to go South, and I was absent about a month in the South.

Senator ALLEN. And the committee were at work on the bill at this time?

Senator MCPHERSON. The committee were at work on the bill at this time.

The CHAIRMAN. Senator Mills was asked during your absence and disability to take your place on the Finance Committee; is that so?

Senator MCPHERSON. Yes, sir.

The CHAIRMAN. Senator Davis, have you anything to say about that?

I will state that Senator McPherson wrote a letter to the committee, which I think has been read to it some days ago, shortly after we organized, asking to come before it in order that he might testify in regard to one point touching the subject-matter of the resolution which was committed to us for inquiry.

Senator DAVIS. This committee has been instructed to inquire, among other things, whether any Senator has been or is speculating in what are known as sugar stocks during the consideration of the tariff bill now before the Senate. You are asked whether you have been so speculating in sugar stocks during the consideration of this bill.

Senator MCPHERSON. Mr. Chairman, I wish simply to state that I can not answer that question, as I think, any more plainly than I did in a few remarks I made in open Senate on the 8th day of March, last, when somebody, as I took my seat, handed me a copy of the New York World newspaper, charging that myself and other Senators had been speculating in Wall street in stocks. I stated the simple fact there that prior to coming here—prior to the recess—I had bought some sugar stock.

Senator DAVIS. Prior to the first Monday in December?

Senator MCPHERSON. Prior to the week of the holiday recess. I had bought some sugar stock and it was sold after the recess. I further stated that inadvertently there were a thousand shares of stock which had been bought for me or for my account, and that I had ordered it sold immediately.

I simply wanted to make a statement to the committee because I had been charged by the newspapers with speculating in sugar stocks, and I was fearful that I would be obliged to ask the Senate for a leave of absence on account of illness. I was unwilling to go, during the progress of this investigation, until such time as I could put on record a denial of the charge of speculating in sugar stocks.

Now, I will be just as brief as possible about the whole matter. On November 28 I had purchased——

Senator DAVIS. You mean November, 1893?

Senator MCPHERSON. On the 28th of November, 1893, I had purchased 300 shares of sugar stock.

Senator ALLEN. How much per share?

Senator MCPHERSON. I can not tell you what the shares cost at the time. I had purchased more, but there were 300 shares of sugar stock

that were in my name on the books of my broker in New York to my credit, or charged to me, in January, 1894, when I was in the South. I supposed these stocks were sold with others early in December. But in January, when I was at Aiken, S. C., my son was there with me, owing to my ill health, and I got word that they had the 300 shares of stock yet unsold. My son immediately sent word by telegram to sell the stock, which was in January, 1894, and on the 25th of January the stocks were sold. About that time, or rather during the holiday recess, I had made a transfer of certain properties and stocks and bonds to my son, covering all the active business enterprises that I had. He had got to be 25 or 26 years of age and wanted to go into business, and I transferred over to him certain properties. Among them I transferrred over to him a certain amount of railroad stocks and Northwestern Railroad stocks which had been on deposit at my broker's at New York, and which had been used by me as a margin on some stocks prior to that time.

However, on December 31 a statement from the broker's showed that I had on hand 300 shares of Manhattan Railroad stock in New York City, 300 shares of Jersey Central stock, 300 shares of sugar stock, and 500 shares of this Northwestern common, which I transferred to my son. All that went over to him, and on our return here on the 8th day of February, after the House had sent a bill over here without any tax on sugar whatever, and, as we supposed there could be by no possibility any tax upon sugar, my son purchased, as he had a right to do, owning these stocks, although they were still in my name on the books, 500 shares of sugar stock. He purchased it for an investment, intending to sell his railroad stocks and put the proceeds into sugar.

Senator DAVIS. Did your son make this purchase upon consultation with you, or on his own motion?

Senator MCPHERSON. I know I consented to the purchase of this stock, but whether before or after the purchase I can not say, because of the fact that it did not seem to me there could be any such thing as legislation any more with regard to sugar. However, I said to him, "If there shall be any, then I want you to sell your stock at once."

He purchased the stock and got sick of it, and on the 16th day of February he sold that and all the other stocks that he had with the brokers in New York, including the 500 shares of Northwestern stock, which left him without any stock, except, I think, perhaps, the New Jersey Central, which was not sold until the 26th, as there was no market for them.

The CHAIRMAN. The 26th of what?

Senator MCPHERSON. The 26th of February.

Now on the 22d of February, after selling everything, he wanted to buy the sugar stock back again. He had the money then to pay for it. He wanted an investment, and I said to him that I had some doubt about the propriety of his doing it. However, as he promised to get out of the street and have nothing more to do with it, and take his money out entirely, I finally assented to it, and an order was issued to purchase it. However, upon reflection we again took up the matter and discussed it, and while I knew nothing about the purpose of the committee in regard to this matter, as I had no consultation with them upon the question of sugar, I said to my son that there were rumors afloat that the Senate committee would do something with respect to legislation in sugar.

The CHAIRMAN. Were you still in South Carolina?

Senator MCPHERSON. No, sir; it was here in my house.

Senator ALLEN. Here in Washington?

Senator McPHERSON. Here in Washington—and that I did not think he ought to buy the sugar stock, and he fully concurred with me in that conclusion, and we resolved then and there that there should be no sugar stock purchased in any way, shape, or form thereafter; that it would be quite as improper, as he and I both thought, for him to buy any sugar stock as it would be for me, and inasmuch as I had not transferred the account to him at the broker's in New York, because I I had not been able to go to New York to do it, if any stock was purchased it was simply a purchase for me, because it would be charged to my account. Although he had his own property and was his own master, yet at the same time I persauded him not to do anything in sugar.

Now, as I say, the order had been prepared, and among other orders, he leaving that evening for New York, or among other telegrams that were sent out inadvertently in some way or other, either through my carelessness or the carelessness of a servant, I ascertained after several days that the telegram had gone.

Senator ALLEN. The telegram to purchase sugar?

Senator McPHERSON. The telegram to purchase sugar. But it was entirely an inadvertence on the part of the servant taking it out, because I am in the habit of writing letters and telegrams and leaving them on the table, and under a general order they go out. Myself and my son both supposed the telegram was destroyed.

My son went to New York on that evening, and if there was any blame to be attached to it the blame was my own or the servant's.

This was on the 22d of February. On the 24th I received a notice that there had been 1,000 shares of sugar stock bought on my account on the 23d. I could not understand how that could be, and immediately, the same moment that I received the notice, I telegraphed to New York to sell the stock at once. Well, the 24th was on Saturday. Of course it is a half holiday and the notice, or rather my order, got there too late to do anything. The next day was Sunday, and early on Monday morning it was sold.

Senator DAVIS. Did that operation result in profit or loss?

Senator McPHERSON. I have never looked into that. There might have been a little loss or a little gain. The order to sell was imperative, whatever the gain or loss. I did not want the stock—did not intentionally buy it—and wanted it sold.

I have a statement here which you can see for yourselves. That ended all kinds of sugar purchases. It was an inadvertence which ought not to have been made. There was no intention on his part or mine to make any sugar purchases. That ended all sugar purchases. There were simply two purchases, one made by my son at a time when nobody supposed, at least neither he nor I supposed, there could be any possibility of legislation in sugar, and if so he would have sold the stock at once.

The other was inadvertently at the time there was a rumor afloat that there would be legislation affecting the sugar interests.

Senator DAVIS. Had you ever before made purchases and sales of sugar stock?

Senator McPHERSON. Yes, sir. I made both in October and November. I had owned sugar stock.

Senator DAVIS. At any other times before?

Senator McPHERSON. Yes. Now, I have not intentionally made a purchase of sugar stock since. I think I made a purchase of sugar

stock on the 4th of December, 1893, and sold it on the 11th of December, 1893. That is the last purchase of sugar stock I made, as appears by the statement, and I am guided entirely by it.

Senator ALLEN. These other instances you have spoken of, the sales were in your name?

Senator McPHERSON. The sales were in my name prior to January, 1894. They were then transferred to my son. I had nothing to do with them. He was the owner of the whole affair.

The CHAIRMAN. This was in December?

Senator McPHERSON. This was in January, 1894. Prior to that he was not the owner. I transferred it to him. I could not reach New York. I could not go there on account of illness and take him to the broker's and introduce him and have the thing transferred, and I had no disposition, at any rate, to try to do it, because I thought, perhaps, it would be better for him, a new hand, for me to keep the matter in such shape that I could check his ardor.

The CHAIRMAN. Have you been for some years past, as a part of your regular business, an operator in stocks and securities in Wall street?

Senator McPHERSON. Not as an operator in the sense that term is used—principally as an investor.

The CHAIRMAN. Have you been constantly, as such, buying and selling securities on the market?

Senator McPHERSON. I have done this—I have bought securities and sold them. Sometimes they were sold on the market and sometimes they were not.

The CHAIRMAN. And that has been for some years past?

Senator McPHERSON. Yes, sir; for the past seven or eight years.

The CHAIRMAN. You have an office in New York?

Senator McPHERSON. I have a business office in New York. I determined not to have anything to do with the purchase of sugar, and did not really want my son to do it, although I did not see on the first purchase of sugar that there was any harm in it, as he wanted to make an investment.

The CHAIRMAN. You mean you did not see any impropriety in it?

Senator McPHERSON. I did not see any impropriety in it. The statement now made ended all sugar transactions, I think, both on my account and my son's account.

The CHAIRMAN. Have you told us of all the sugar transactions that occurred through yourself or your son since October?

Senator McPHERSON. Have I all the transactions?

The CHAIRMAN. No. I say, have you told us of all the sugar transactions that occurred through yourself or your son since October?

Senator McPHERSON. My son had no transactions in sugar prior to January, 1894, and I had none later than that date.

The CHAIRMAN. Have you substantially told us already all that has occurred?

Senator McPHERSON. Yes; since Congress convened.

I will say that I had purchased sugar and other stocks in October and November, but none except stocks that were sold very early in December following.

Here is a statement I leave with the committee, a statement made by the broker in New York of all transactions since December 31. If the committee wants them I can give transactions dating back further. This statement embraces every transaction since this property was

turned over to my son, and I have made no purchase of anything since that is not included, or he has made none that is not included in this statement.

The CHAIRMAN. Were all your transactions through that broker?

Senator MCPHERSON. Yes, sir. There have been none through any other broker. This statement shows the three transactions; the sale of sugar stock at Aiken, bought in November and sold on the 25th of January; my son's transaction on the 8th of February of the purchase of 500 shares of sugar stock and the sale on the 16th of February. It shows the inadvertent purchase and sale on the 23d. That is all there has been of it since that time.

Now, I do not think that this can be called gambling in sugar stock. I tried to correct the fault or mistake of the purchase of February 23 as quickly as possible, and without regard to loss or gain.

I want to show, as far as I can, to the committee that there has been no intention on my part to be engaged in sugar purchases, and I am very sorry that my son purchased any also.

Senator DAVIS. During the consideration of this tariff bill, have you directly or indirectly given out any statements as to probable action respecting sugar to any person?

Senator MCPHERSON. I do not remember having stated that to any person in the world.

Senator DAVIS. Have you any knowledge of any Senator speculating in sugar stocks during the pendency of this bill?

Senator MCPHERSON. I have no knowledge whatever as to what any Senator has been doing except myself.

Senator DAVIS. I understand that some time in December, 1893, you transferred as between yourself and son all your interest in the stocks named?

Senator MCPHERSON. Yes, sir.

Senator DAVIS. But that it not being convenient or possible on account of your health to go to New York for the purpose of making the transfer on the books of the brokers they so remained in your name?

Senator MCPHERSON. Yes, sir.

Senator DAVIS. At the time you made this transfer to your son, did you deliver to him the stocks, or were they on deposit at your brokers?

Senator MCPHERSON. For instance, the 500 shares?

Senator DAVIS. Were they with your brokers?

Senator MCPHERSON. Yes, sir.

Senator DAVIS. Had you any of them in your possession?

Senator MCPHERSON. No, sir; they were all at the brokers.

Senator DAVIS. Was this transfer in writing or verbal?

Senator MCPHERSON. It was a written transfer.

Senator DAVIS. You made this transfer in writing between you and your son?

Senator MCPHERSON. Yes, sir.

Senator DAVIS. This was in December?

Senator MCPHERSON. Yes, sir.

Senator DAVIS. So that, substantially, your son owned the stock?

Senator MCPHERSON. Yes, sir; substantially, my son owned the stock, and everything that was done afterwards was done for him. There was nothing done afterwards except he purchased 500 shares of sugar stock on the 8th of February, as I said, because I thought it was perfectly safe for him to do it, as I did not anticipate any legislation and did not see how it could happen after the emphatic action of

the House. But he sold it again on the 16th. Then there was this unfortunate occurrence of the 23d.

Senator DAVIS. In regard to the 1,000 shares?

Senator MCPHERSON. It simply amounts to this: It was ordered and annulled, or countermanded right off, and that ended it.

Now, with the exception of some Atchison stock, which I stated also in my remarks on the floor of the Senate, that has been all the stocks he has purchased. Everything was sold out. Some time in April the transfer of all the money in bank was made over by my secretary in New York to my son, and has gone to his account, and since last December I have not owned or purchased, wittingly or knowingly for my own benefit, a share of any stock in the world, sugar or anything else.

Senator DAVIS. You would have known it if you had purchased it?

Senator MCPHERSON. Of course I would have known it if I had purchased it. I will say, however, that I sometimes have ordered my broker to buy a certain bond or stock when it falls to a certain limit, and I may not always know it at the exact time of purchase, but soon afterwards.

Senator DAVIS. Who were your brokers?

Senator MCPHERSON. Messrs. Samuel S. Sands & Co.

Senator DAVIS. What is the present style of the firm?

Senator MCPHERSON. S. S. Sands & Co.

Senator DAVIS. What number?

Senator MCPHERSON. No. 10 Wall street. Mr. Joseph H. Bond, a member of the firm, has always attended personally to my affairs.

Senator ALLEN. You began your career as a speculator in stocks during the time you were a member of the U. S. Senate?

Senator MCPHERSON. During the time I was a Senator?

Senator ALLEN. Yes.

Senator MCPHERSON. I never purchased any stocks that were the subject of legislation by the Senate.

Senator ALLEN. You were a stock speculator before that time?

Senator MCPHERSON. I have never been a stock speculator at all. I have simply purchased investments in stocks.

Senator ALLEN. You have purchased investments in stocks and you sell them?

Senator MCPHERSON. Sometimes, and sometimes I do not sell them for three or four years.

Senator ALLEN. Stocks bought and sold in the open market; that is correct is it not?

Senator MCPHERSON. Yes, sir. If you will permit me I will state how I do it.

Senator ALLEN. Certainly.

Senator MCPHERSON. I never buy any stocks that are not dividend-paying stocks, as I understand. For instance, if I buy certain stocks to-day, such as bonds, I might hold them three or four years, perhaps, but if owing to some rise in the market, or if something preferable might show itself, I might sell them and buy some other stocks. In other words, I have never been a speculator in any sense.

Senator ALLEN. You do buy and sell for profit, of course?

Senator MCPHERSON. I buy and sell for profit.

Senator ALLEN. And you buy in the open stock market?

Senator MCPHERSON. Yes, sir; sometimes, not always.

Senator ALLEN. And sell that way?

Senator MCPHERSON. Yes, sir.

Senator ALLEN. Have you been engaged in that line of business constantly for the last seven years?

Senator MCPHERSON. If you mean by constantly whether——

Senator ALLEN. I do not mean every day.

Senator MCPHERSON. I do not suppose my purchases would average one in six months.

Senator ALLEN. You, however, have an office, you say, in Wall street?

Senator MCPHERSON. No, sir; I have no office, I have a business office in New York.

Senator ALLEN. Where is that office?

Senator MCPHERSON. At the corner of West Broadway and Chambers street.

Senator ALLEN. What is the number?

Senator MCPHERSON. No. 64.

Senator ALLEN. How long have you maintained that office?

Senator MCPHERSON. I have had it there ever since I have been in the Senate; long before that time.

Senator ALLEN. What is the character of the business you conduct there.

Senator MCPHERSON. I have several characters of business. There is no banking business done there; no brokerage business done. It is real estate, coal business, live-stock shipments, manufacturing, and several other kinds of business.

Senator ALLEN. Do I understand you to say that you handle, buy, and sell real estate itself?

Senator MCPHERSON. Yes, sir.

Senator ALLEN. And buy and sell coal itself?

Senator MCPHERSON. Yes, sir; both.

Senator ALLEN. And realizing profits?

Senator MCPHERSON. Yes, sir, and often losses.

Senator ALLEN. Are you a firm?

Senator MCPHERSON. No, sir.

Senator ALLEN. Just "John R. McPherson"?

Senator MCPHERSON. Yes, sir.

Senator ALLEN. Are stocks conducted in your office?

Senator MCPHERSON. No, sir; not at all.

Senator ALLEN. That has been a kind of a side transaction of your own?

Senator MCPHERSON. The only thing I will say to you is I never buy stocks except I have the money to buy them, which I prefer to invest in that way perhaps to an investment in some other way. It might not happen once in six months; but whenever I have money I invest it.

Senator ALLEN. The sugar trust, as I understand it, is known as the American Sugar Refining Company?

Senator MCPHERSON. I do not know. I only know it as the sugar trust.

Senator ALLEN. Do you know what it embraces?

Senator MCPHERSON. I do not.

Senator ALLEN. Does it embrace all the sugar-refining factories of the United States?

Senator MCPHERSON. No; but I think it embraces two-thirds of them.

Senator ALLEN. Do you know that it is incorporated.

Senator MCPHERSON. I think it is incorporated under the laws of New Jersey.

Senator ALLEN. Have you speculated in these stocks right along the same as in other stocks of which you speak?

Senator MCPHERSON. No; I have not. I know I have not owned industrial stocks of any kind, except some of the sugar stocks, and they were purchases made some time——

Senator DAVIS. Before you made those purchases last summer of sugar stocks, had you ever made any purchases before that date?

Senator MCPHERSON. I had purchased sugar stocks.

Senator DAVIS. Before that date?

Senator MCPHERSON. Yes, sir.

Senator ALLEN. I understand this had occurred several times during your career on Wall street?

Senator MCPHERSON. I have bought stocks on Wall street several times in my life.

Senator ALLEN. You have been engaged in purchasing stocks whose value was affected by Congressional legislation?

Senator MCPHERSON. No, sir.

Senator ALLEN. I suppose you know sugar stock is affected by Congressional legislation or other legislation.

Senator MCPHERSON. I did not own any of them when legislation was to be effected.

Senator ALLEN. The telegram that you say was sent inadvertently on the 22d of February—you had consulted with your son about the advisability of sending that telegram?

Senator MCPHERSON. I had consulted with my son. My son proposed to purchase some sugar stock, in which I assented at first, and I think the order was prepared—the telegraphic order. It was laid upon my table, and then we took up the question and discussed it, and decided that the order should not be sent.

Senator ALLEN. Who prepared the telegram?

Senator MCPHERSON. I do not know whether I prepared it or not. It makes no difference which one prepared it, because a telegram in my name would have been considered sufficient for the order. I know I assented to it at first, but afterwards I said to him, "There are rumors that perhaps there may be legislation about this matter, and I do not want to have this stock bought, and while I do not know anything myself—I have had no communication with the committee and do not know what their plan or purpose is about it—still, as long as these rumors are afloat this stock must not be purchased," and to that he assented. He went away, and having a large amount of letters and some telegrams that were going away, in some way or other by my carelessness or otherwise, which I did not know until several days afterwards how it came around, that telegram must have been sent or taken by the servant to the telegraph office.

The administration at my house is a very imperfect one, because I have a butler who sometimes does that work, and on holidays he is generally away. Then I have a colored girl, and finally a cook. Sometimes one takes telegrams to the telegraph office and sometimes another, but they have a general order to take telegrams to the office or letters that are left there and mail them.

Senator ALLEN. You had, however, talked over with your son the advisability of his purchasing sugar stock, and had gone to the extent that one of you should prepare a telegram to purchase?

Senator MCPHERSON. Yes, sir.

Senator ALLEN. And after further conversation you consented not to do it?

Senator McPHERSON. Yes, sir

Senator ALLEN. You advised with your son, did you not, as to the probable outcome of the investment?

Senator McPHERSON. No; I do not know that we had any. He got his impression from the market reports that it would be a better investment than the rail stocks he had just sold.

Senator DAVIS. Will you allow me right there, Senator Allen?

Senator ALLEN. Yes, sir.

Senator DAVIS. I see from this statement that this stock of 1,000 shares was bought as follows: 100 shares at 79¼, 400 shares at 79⅝, and 500 shares at 80, which were sold at 81½.

Senator McPHERSON. Yes; [examining] on Monday.

Senator DAVIS. It was bought on the 26th?

Senator McPHERSON. No; on the 23d.

Senator DAVIS. The account here states on the 26th.

Senator McPHERSON. That is the date of delivery. Look at the bracket on the other side.

Senator DAVIS. Oh, yes; it was bought on the 23d and sold on the 26th.

Senator McPHERSON. Yes; I got the notice on the 24th. The 24th I ordered it sold. The 25th was Sunday and it was sold on the 26th.

Senator ALLEN. Did you at the time the stocks were purchased and the time you advised with your son on the 22d know that the subject of taxing sugar was under consideration by the Senate Finance Committee?

Senator McPHERSON. Well, I knew the matter had been talked about, but as every member of the committee seemed opposed to it, and I was opposed to it myself, I did not suppose that there would be anything done about it.

Senator ALLEN. Did your son know from you or otherwise of the agitation of the question of taxing sugar by the Finance Committee?

Senator McPHERSON. We talked about that, because I said to him there was a rumor that the Finance Committee——

Senator ALLEN. Did you give him at that time or at any other time the most accurate information you could gain upon the subject?

Senator McPHERSON. I do not know that I gave him any information. I found he had enough information of his own.

Senator ALLEN. You thought it natural to give him the best advice that you could and the best information that you could?

Senator McPHERSON. I tried to restrain him at all times from buying any stock.

Senator ALLEN. These stocks that were bought on the 23d of February, 1894, and were sold on the 26th, which was the result of this inadvertent telegram of which you speak, did that investment result in a profit to you?

Senator McPHERSON. That I do not know, because I have not examined the statement. It appears altogether in bulk.

Senator ALLEN. I wish you would examine it and see.

Senator McPHERSON. I suppose if sold it would result in a little profit.

Senator ALLEN. If it resulted in profit, you may state the amount of profit.

Senator McPHERSON. I could not tell here, except by figuring. I see here it was bought at 79⅝, 79¼, and 80, and it was sold at 81½. Now, there was a commission to come out of that and an interest.

The CHAIRMAN. Is there a commission both ways?

Senator McPHERSON. There is a commission both ways. There is a commission to purchase and a commission to sell.

The CHAIRMAN. What is the commission?

Senator McPHERSON. I do not know what it is. I think it is one-eighth of 1 per cent.

Senator ALLEN. Give, as nearly as you can, the profit that resulted from that transaction?

Senator McPHERSON. I would suppose there would be a profit on the transaction, less the commission, of perhaps $1,000.

Senator ALLEN. Your son had never had any business experience of this kind before?

Senator McPHERSON. My son had no business experience in Wall street, particularly, until the purchase of his first stocks.

Senator ALLEN. He was a mere youth, so to speak, from school, and just entering into business?

Senator McPHERSON. No; he was not that. He had been out of school for several years and was very anxious to enter Wall street, and had several business friends there.

Senator ALLEN. Whatever he was doing he was doing under your advice?

Senator McPHERSON. No, sir; he was not doing it under my advice, because I said to him, as he wanted to enter Wall street and give up all other business, I am perfectly willing, if you want to buy some stocks, and very few, only a few at a time—I am perfectly willing you should exercise your own judgment about it. That was a case of exercising his judgment in the first place.

Senator ALLEN. You could have restrained him, could you not?

Senator McPHERSON. Yes, sir; I could have stopped him.

Senator ALLEN. Because the stock still stood in your name?

Senator McPHERSON. Yes, sir. I was very anxious to have him attend to the business I had turned over to him and leave stock purchases alone, and so advised him. He said, "I am going to do it; I am going to buy some of this sugar stock and then quit purchasing stocks." I presume that might have influenced my action so far as an order was concerned. I tried to correct it and ordered it sold peremptorily without regard to profit or loss.

Senator ALLEN. I am not passing judgment on that, of course. I do not pretend to do that. Now, is your son still on the market?

Senator McPHERSON. No, sir.

Senator ALLEN. When did he retire?

Senator McPHERSON. He drew the money out after the sale of these stocks, the Atchison stock, I think, on the 20th of March, and when I went over to New York I had this money drawn out of the bank and deposited at another place entirely.

Senator ALLEN. In your name or in his name?

Senator McPHERSON. I think the money was deposited in his name.

Senator ALLEN. Is he a married man?

Senator McPHERSON. No, sir; he is not a married man.

Senator ALLEN. He is still a member of your family?

Senator McPHERSON. Yes, sir.

Senator ALLEN. Had you at any time before this had any information that sugar stock was liable to grow in value?

Senator McPHERSON. I had no information about it except the course of the market and the general impression people have——

Senator ALLEN. Let me ask you this question for information: It is within the power of what you call the sugar trust to either force up or force down the price of their stock?

Senator McPHERSON. I think so.

Senator ALLEN. And you knew that fact, of course, before this certain investment?

Senator McPHERSON. Yes, sir.

Senator ALLEN. Was it your impression at that time that the sugar trust or some other organization would force up the price of the stock?

Senator McPHERSON. I think the sugar trust, with or without legislation by Congress, can fix the price of their stock on the market, because, having the absolute control of the market for raw sugar and the market for refined sugar, would be able to charge about any price they pleased.

Senator ALLEN. They had a monopoly of the business?

Senator McPHERSON. They had a monopoly of the business, and therefore I did not have any doubt about it. It did not seem to me as it made much difference to their pockets whether sugar was taxed or not.

Senator ALLEN. And you know, of course, any legislation looking to putting a tax on sugar would have the natural tendency to increase the value of sugar stock?

Senator McPHERSON. Yes, sir; it would have made it sell at a higher price to outside parties.

Senator ALLEN. And that you knew, of course, when you talked with your son upon this subject?

Senator McPHERSON. Yes, sir; I knew that.

Senator ALLEN. How frequently had you met with the Finance Committee, or the Subcommittee of Finance, and talked over this proposed legislation on sugar before this investment?

Senator McPHERSON. Really we had no serious talk in the Finance Committee on the sugar question until the day before our caucus, which was on Sunday. I think the caucus met on the 26th. At all events——

Senator ALLEN. It was the 25th, was it not?

Senator McPHERSON. It was on Sunday, which would be the 25th. Until that time we had no serious thought——

Senator ALLEN. You did know, however, that there was a strong disposition developed on the part of the Finance Committee, especially in the Senate, to tax sugar; that before that time the taxation on sugar would become a necessity?

Senator McPHERSON. It looked as if we had to do it to get the votes.

Senator ALLEN. The thing had gone so far as for one or two members to offer suggestions as to the sugar schedule.

Senator McPHERSON. I remember no talk that I had with the committee except on Sunday before——

Senator ALLEN. You had already prepared a partial schedule yourself.

Senator McPHERSON. No, sir; my schedule was offered on Sunday.

Senator ALLEN. And that was the day probably after this inadvertent telegram had gone to New York?

Senator McPHERSON. Yes, sir; it was offered on that Sunday.

Senator ALLEN. And that would be a day or two, at the outside, after the telegram went to New York for the purchase of these stocks?

Senator McPHERSON. Yes, sir; and I suppose, although it did not influence me at that time, because the thing had already taken place, yet it would have influenced me, absolutely so, to sell at once any sugar stock I might have held (if any) at that time.

Senator ALLEN. Let me ask you if you think it is advisable for a United States Senator to speculate, either directly or indirectly, in

stocks whose values may be affected by legislation or proposed legislation?

Senator McPHERSON. No, sir; I do not think it is right to speculate in those stocks, and hence have never done so.

Senator ALLEN. Or invest in them?

Senator McPHERSON. As to that I would say to the Senator that I do not see how investments can be made in our days, as there are no securities in the world in which investments can be made except where they are bought and sold on the market. I do not know how a man, either temporarily or permanently, can find investments, except he gets them through the market where the stocks and bonds are sold.

Senator ALLEN. You believe a man who speculates in stocks whose value would be affected by proposed legislation, would be influenced in his conduct as Senator by that fact, either consciously or unconsciously?

Senator McPHERSON. I do not think ownership in any kind of property would influence my vote in the least.

Senator ALLEN. You would not think it proper for the judge of a court to be pecuniarily interested in a case that was on trial before him?

Senator McPHERSON. No, sir; I do not think that would be a proper thing.

Senator ALLEN. It would be considered highly improper, would it not?

Senator McPHERSON. Yes, sir.

Senator ALLEN. Do you think it would be any more improper for a Senator, who is legislating for the welfare of the entire country, and whose mind should be entirely uninfluenced or unbiased by any private interest, to have, at that precise time, his money invested in stocks whose value may be affected by the vote he may cast?

Senator McPHERSON. I think a man whose mind would be influenced if he had bank stocks or any other kind of stocks—a man who would be influenced as a legislator by such consideration has no business at all here.

Senator ALLEN. What I am asking you is this: Not whether it is possible for a man to own stocks, and at the same time to vote against his own interests, which I think in rare cases might be true, but do you regard it at all proper for a Senator whose official duties require him to look at the general welfare of the country, entirely impartially, to be at that precise time the owner of stocks and bonds whose pecuniary value may be affected by his vote?

Senator McPHERSON. I will answer your question by asking you this: A man who is perhaps the owner of a factory is a member of Congress. He can not sell his stock; he can not dispose of his factory, and it makes no difference what his views may be upon the tariff, one way or the other. I want to know if there is any impropriety in a manufacturer or a farmer, who is also seeking legislation upon the tariff, being a member of Congress or a member of the Senate? If so, the rule holds good as to all other things.

Senator ALLEN. You can reduce that to an absurdity by deductions, of course. But I prefer that you would answer me.

Senator McPHERSON. I will say this broadly: I do not think it is a good thing to do, and while I do not see there has been any great wrong or harm done in this special transaction I would not allow it to be done over again, and I would not encourage anybody in doing it, because I do not think it is strictly within the bounds of propriety.

Senator ALLEN. I understand you to say that you have no personal

knowledge of any other Senator investing in stocks during this pending tariff bill, the Wilson bill, before the Senate. Have you any information derived from any Senator himself or by hearsay as to any Senator speculating in stocks?

Senator MCPHERSON. I have never questioned a Senator, and I have never been the custodian of any information from anybody about any Senator.

Senator ALLEN. Have you heard any of the Senators talk in your presence or hearing about any transactions?

Senator MCPHERSON. I have never heard any Senator talk in my presence or hearing of any transaction of the kind—never.

Senator ALLEN. Do you know any Senator or Senators of whom it is currently believed that they do speculate in stocks?

Senator MCPHERSON. No, sir; I have no personal knowledge.

Senator ALLEN. I do not ask you for personal knowledge.

Senator MCPHERSON. And I have no hearsay evidence of greater force than idle rumor.

Senator ALLEN. Have you at any time in your stock speculations met any U. S. Senator in the stock market, or the broker of any?

Senator MCPHERSON. I never have.

Senator ALLEN. Do you know of certain Senators who have brokers in Wall street?

Senator MCPHERSON. I do not.

Senator ALLEN. Either by hearsay or otherwise?

Senator MCPHERSON. Either by hearsay or otherwise, except as the newspapers have stated in connection with the same article, the only one which I have referred to.

Senator ALLEN. Have members of the sugar trust corresponded with you in writing as to——

Senator MCPHERSON. I have never received a word in writing from any of them. I have never met any of them, with the exception of Mr. Searles coming to my house one evening and talking with me, against the proposition I was making in the Senate committee.

Senator ALLEN. Mr. Searles lives in Brooklyn, does he not?

Senator MCPHERSON. I do not know. He was in Washington and came to my house to see me.

Senator ALLEN. Mr. Searles, as I understand, is the secretary of the sugar trust, or the sugar refinery?

Senator MCPHERSON. I think he holds some office, but a personal friend of mind in New Jersey came to me first and asked me if I would permit Mr. Searles to come and see me.

Senator ALLEN. Had you known Mr. Searles before that?

Senator MCPHERSON. I had seen him once or twice before that, perhaps, and I think in 1890 Mr. Searles was here. I met him once or twice during that period, but never that I remember since.

Senator ALLEN. You knew at that time, as a matter of fact, that Mr. Searles's chief object was to be in attendance on Congressmen when the question of sugar legislation was in progress?

Senator MCPHERSON. I only know he was here.

Senator ALLEN. That was his chief office?

Senator MCPHERSON. His business with me was to protest against what he called the injustice of my sugar schedule.

Senator ALLEN. And his business was to see Senators and Representatives and procure the most favorable legislation from them possible upon the sugar question?

Senator McPHERSON. I don't know that, but that is no reason why anybody should grant it, because he wanted it.

Senator ALLEN. You knew when he came to see you, or believed, at least, that that was his mission?

Senator McPHERSON. He came to see me when he knew what was the nature of the amendment I had offered in the committee.

Senator ALLEN. What date was that when he came to see you?

Senator McPHERSON. I can not recollect the date, but it was after he knew of the proposition I had made, and which I afterwards stated in the caucus—perhaps you do not know it, but others do—when I openly condemned the sugar schedule of the bill in caucus or conference

Senator ALLEN. Is that the Senate caucus you speak of?

Senator McPHERSON. Yes, sir; I speak of the general conference of the Democratic Senators.

Senator ALLEN. You condemned the sugar schedule in caucus. What time before the Senate caucus of the 24th or the 25th?

Senator McPHERSON. It was afterwards. On the 28th I think as we were several days in conference.

Senator ALLEN. And you had this talk with Mr. Searles in the month of February?

Senator McPHERSON. I can not remember when he came to my house.

Senator ALLEN. Was it before or after that?

Senator McPHERSON. I can not recollect when it was, but I know he came to see me about the proposition I had made, and he said it was entirely unjust to the sugar people.

Senator ALLEN. What is your best impression as to the date, or near the date?

Senator McPHERSON. I can not remember that any more than I can remember what time, perhaps, the 500 or 1,000 other people came to my house.

Senator ALLEN. Can you not recall it by some other transaction?

Senator McPHERSON. No, sir. I know after I returned from the South I laid in my bed in my house and saw from 100 to 200 people a day who forced themselves into my bedrooms.

Senator ALLEN. Was this shortly after your return from the South?

Senator McPHERSON. No, sir; I think it was some time later. It must have been some time afterwards, because it was sometime afterward before I made my sugar proposition.

Senator ALLEN. What is your best recollection as to it being in the month of February or March?

Senator McPHERSON. I think it was shortly before the bill was reported to the Senate.

Senator ALLEN. The bill was reported to the Senate about the 14th of March, was it not?

Senator McPHERSON. The 20th of March.

Senator ALLEN. Was it the 20th of March?

Senator McPHERSON. Yes, sir.

Whereupon, at 1:15 p. m., the committee took a recess until 2:30 o'clock p. m.

AFTER RECESS.—2:30 O'CLOCK P. M.

SWORN STATEMENT OF SENATOR R. Q. MILLS.

Senator LODGE. You are a Senator of the United States from the State of Texas?

Senator MILLS. I am.

Senator LODGE. And have been serving as such during this session?

Senator MILLS. I have.

Senator LODGE. And during a portion of that time you have served as a member of the Finance Committee?

Senator MILLS. Yes, sir. I represented Senator McPherson while he was sick and absent. I was never myself a member of the Committee, but merely a supernumerary for some months, perhaps.

Senator LODGE. You took part with them for a time in making the tariff bill?

Senator MILLS. I took part with Mr. Vest and Mr. Jones, of Arkansas. A few days before the Wilson bill came from the House to the Senate, Senator Vest came to me and said: "Senator Vance, who is a member of the Finance Committee, is off sick, Senator Jones is in bed sick, Senator Voorhees is in bad health, that bill has come here, and I want you to come and help us to work on it." I told him I would go as a mere voluntary aid, but I would not accept a position on the Finance Committee. Then he and I went to work on the bill, and worked alone on it, I suppose ten days or two weeks, until Senator Jones got well, and he came and joined us. Then Senator Vest and Senator Jones and myself continued to work on the bill until we finished our revision of the Wilson bill and reported it to the Democratic members of the Finance Committee, when Senator McPherson came and relieved me, I having acted as his representative during his sickness, and I know nothing more about the bill since then.

Senator LODGE. In the Philadelphia Press of Monday, May 14, appeared a letter in which the following statement occurs:

Upon one occasion, some time in February, when the Finance Committee, or the Democratic members of it, were in, perhaps, informal session, there came into the room, unexpectedly to all those present excepting two members, none other than the Secretary of the Treasury, Mr. Carlisle. His going there at that time has never been reported until this writing of it. He went secretly and came away secretly. His visit was supposed to be a confidential one. It was a confidence not imposed upon one member of that committee, and, therefore, it is possible now to make report of what Mr. Carlisle said. They looked upon him as speaking, not so much for Mr. Carlisle, as for the administration. He did not say that he came from the President, but when he finished making his astonishing statement not one of those who heard him doubted that he had come from the President and was echoing the President's wishes and giving emphasis to them by an earnest, and for him, excited manner. What he said is quoted from remembrance, but it is substantially accurate, as it was reported by one who heard it. He said:

"Gentlemen, there is one thing that I am bound to say to you as earnestly and impressively as I can do it, and I speak to you as a Democrat to Democrats. No party or the representatives of no party can afford to ignore honorable obligations. I want to say to you that there seems to be danger that this is going to be done. Gentlemen associated with the sugar-refining interests (I may tell you what, perhaps, you do not know) subscribed to the campaign fund of the Democratic party in 1892 a very large sum of money. They contributed several hundred thousand dollars, and at a time when money was urgently needed. I tell you that it would be wrong, it would be infamous, after having accepted that important contribution, given at a time when it was imperatively needed, for the Democratic party now to turn around and strike down the men who gave it. It must not be done. I trust that you will prepare an amendment to the bill which will be reasonable and in some measure satisfactory to these interests.

That in substance was the plea of Secretary Carlisle to the members of the Finance Committee that they respect the obligations entered into by the national campaign committee and the personal representatives of Mr. Cleveland in 1892. It was a plea powerfully put. Mr. Carlisle said but little more; he had said enough. He turned and left the committee, going away with that secrecy with which he came, but before he did so he signified his willingness himself to prepare an amendment which he thought would be fair to the Government, and yet be just to the sugar interests.

That very thing he did not long after. The chairman of the Finance Committee received and showed to certain favored friends the draft of an amendment in Secretary Carlisle's own handwriting to the sugar schedule, and that draft is in Mr. Voorhees's possession to this day, unless he has destroyed it. Secretary Carlisle had scratched out from the printed schedule the provisions as originally made, and by interlineations had inserted the following words: "On all sugars not above No. 16, Dutch standard, and on all." After the word "all" the printed form remained in which mention was made of other sugars, and then this interlineation, "instead of one-eighth of 1 per cent, 45 per cent ad valorem."

What statement have you to make on that point?

Senator MILLS. I know nothing on earth about it. Secretary Carlisle was never before the committee while I was working with it.

Senator LODGE. He never, to your knowledge, made any such statement?

Senator MILLS. No, sir.

Senator LODGE. Did you ever see such a memorandum as is there described?

Senator MILLS. No, sir; never.

Senator LODGE. Or did you ever hear of it?

Senator MILLS. No, sir; never.

Senator LODGE. There was no such memorandum to your knowledge?

Senator MILLS. No, sir.

Senator DAVIS. Who did prepare the sugar schedule as reported?

Senator MILLS. Senator Vest, Senator Jones, and myself.

Senator LODGE. That is, as it was first reported?

Senator MILLS. As it was first reported. I know nothing of it any further. Senator Vest wanted me to make some statement. I will wait, however, and let you ask about that.

Senator LODGE. There is this further statement in the article from which I have just quoted a portion:

We had, upon the Sunday before the bill as first reported was sent to the Senate, a striking illustration of the absolute domination of the sugar trust over the Democratic members of the Finance Committee. That was an all day and half the night session and upon the Sabbath day. In one room were the Democratic members of the Finance Committee, and also, in the wing of the Capitol, were the representatives of the sugar trust. There were Havemeyer and Terrill and Meyer, Ben Le Fevre and others. These men sat as the rulers of a political convention sit in a place apart and yet within instant communication of those who are to act. There were runnings back and forth between the finance rooms and the quarters occupied by the trust all day. Everything had been arranged up to the point of satisfying Louisiana Senators. Even the trust realized that it was necessary for the Democratic party to placate these Louisiana men, or else there would surely be two votes against the bill. It was a question of compromise, each side giving a little and taking a little. At one time it seemed as though the whole negotiations must go to pieces. Never was there more desperate battle between conflicting interests in the committee rooms of the Capitol. At last, late that evening, Senator Caffery drafted a schedule, Mr. Havemeyer looking over his shoulder and the other members of the sugar trust watching the Senator with eyes that fairly glittered, so one Senator who saw that spectacle afterwards reported. It was the crucial moment. When Senator Caffery had finished the sugar trust read his draft, reluctantly accepted it, it was taken to the room of the Finance Committee and there accepted, the victory won and the original draft is still in the possession of the committee in Caffery's handwriting, and with the approving marks of the sugar trust upon it.

Do you know of any such meeting?

Senator MILLS. Nothing at all.

Senator LODGE. On Sunday, or any other day?

Senator MILLS. No, sir; nothing about it.

Senator LODGE. And there was no such meeting of that character?

Senator MILLS. No, sir.

Senator LODGE. Did you ever hear of these members of the sugar trust being at the Capitol?

Senator MILLS. Not while I was a member of the committee. I know nothing about it.

Senator LODGE. Did you ever meet any member or members of the sugar trust there?

Senator MILLS. No, sir.

Senator LODGE. Did Mr. Havemeyer happen to be there?

Senator MILLS. No. Mr. Havemeyer came to my house one night and I refused to see him; I have never met him.

Senator LODGE. Was he introduced to you by anybody?

Senator MILLS. He had a letter from Mr. Carlisle to me, and I think, if my recollection serves me, he sent the letter in advance. I do not know but he might have brought it with him, but he had a letter from Mr. Carlisle, simply a letter of introduction, and he called on me at my house, and I refused to see him.

Senator LODGE. You did not see him, then?

Senator MILLS. No, sir; I refused to see him.

Senator LODGE. Or at any subsequent time?

Senator MILLS. No, sir; neither before nor after.

Senator LODGE. Or any of these other persons mentioned here as connected with the sugar trust?

Senator MILLS. No, sir; none of them.

Senator LINDSAY. You say Mr. Carlisle gave him merely a formal letter of introduction?

Senator MILLS. That is all.

Senator ALLEN. You do not remember the wording of the letter, do you?

Senator MILLS. Oh, no; it was simply two or three lines.

Senator ALLEN. One of the matters submitted to this committee to be investigated is an inquiry in relation to money having been contributed to the Democratic campaign fund by the sugar trust. Can you give the names of the Democratic campaign committee?

Senator MILLS. I can not.

Senator ALLEN. Of course you know nothing about that?

Senator MILLS. Nothing about the committee or the funds contributed to it. I never bothered myself about it. I had enough to attend to my own committee.

Senator ALLEN. Do you know whether any Senators have been speculating in stocks or bonds during the pendency of this tariff legislation?

Senator MILLS. I do not.

Senator ALLEN. Do you know by reputation?

Senator MILLS. I know absolutely nothing at all. I do not speculate in stocks myself, and know only what we see in the newspapers.

Senator LODGE. I will call your attention to another part of this newspaper article:

To go back a little. After Mr. Carlisle's address to the Finance Committee, after the meeting between Mr. Havemeyer and Senators Brice and Smith, there occurred an extraordinary thing in the Finance Committee. Senator Vest made a statement which caused Mills to look upon him with amazement, to regard him with suspicion, and some of the other members of the committee to eye one another furtively. The Senator said that he did not see why a duty of one-half of a cent upon raw sugar did not afford sufficient protection to all the sugar interests of this country. If Mr. Vest

were a new Senator, such an astonishing assertion as that might have been ascribed to ignorance, but he has been through tariff bill after tariff bill. He looks upon himself as something of an expert, and he must have known that his statement was ridiculous. In view of his earlier position, it seemed not only ridiculous, but strange. It even caused one Senator to say to another, "Vest has flopped."

Have you any statement to make in regard to that?

Senator MILLS. That is false.

Now I want to state just as to Senator Vest and Senator Jones both.

I was the first one of the three to propose a duty on sugar. It was an unwelcome thing to me to do it, but I regarded the bill as not producing sufficient revenues, and something had to be done. That was one reason.

Another reason was, as you gentlemen know, I have always advocated putting sugar on the dutiable list as a revenue article, and I told them: "We have got to have more money than the Wilson bill makes, and we have to have a duty on sugar. I do not want it. I do not like to go backward. I would not have taken sugar off the dutiable list and put it on the free list. It has been done, and I do not like to put anything back on the dutiable list—I do not care whether it is a revenue article—to take it from the free list and put it back on the dutiable list." I said: "We have got it to do, and you may as well make up your minds about it. We have to have more money."

Senator Vest and Senator Jones held out for several days, and insisted that there should be no duty on sugar, and they tried to figure it out that we could get along without it, and wait until we could get through and look and see what our estimates would be, and so on, and we kept it on a good long while.

Finally they reluctantly agreed for a duty on raw sugar, and it is due to the Democratic members of the committee—a duty not on refined sugar, but on raw sugar. I think they said nothing about Senator Jones at all. It is all stuff. There is no truth in it. I was the man who proposed the duty on it.

Senator LODGE. You did not propose a differential rate on refined sugar?

Senator MILLS. No, sir; I proposed none but the compensatory duty. I think that is all it is necessary for me to say about him.

SENATOR JAMES K. JONES—Recalled.

Senator LODGE. You have heretofore testified in relation to this matter?

Senator JONES. I have.

Senator LODGE. There is one statement with reference to which I would like to ask you. That is, in regard to Mr. Carlisle's memorandum furnished to the Finance Committee. Perhaps I had better reread the statement to you:

He turned and left the committee, going away with that secrecy with which he came; but before he did so he signified his willingness himself to prepare an amendment which he thought would be fair to the Government and yet be just to the sugar interests.

That very thing he did not long after. The chairman of the Finance Committee received and showed to certain favored friends the draft of an amendment in Secretary Carlisle's own handwriting to the sugar schedule, and that draft is in Mr. Voorhees' possession to this day, unless he has destroyed it. Secretary Carlisle had scratched out from the printed schedule the provisions as originally made, and by interlineation has inserted the following words: "On all sugar not above No. 16 Dutch standard and on all." After the word "all" the printed form remained in which mention was made of other sugars, and then this interlineation, "Instead of one-eighth of 1 per cent, 45 per cent ad valorem."

The CHAIRMAN. Were you asked about that before?

Senator JONES. I think so. I think I answered as to all those things. I said there was no sort of truth in any part of the story. It was absolutely all false.

Senator LODGE. There was never any such memorandum, to your knowledge, furnished by the Secretary of the Treasury, Mr. Carlisle?

Senator JONES. None whatever. The last schedule proposed, the one that I proposed to the bill, the one which is pending now—this thing, I understand, is said to have occurred some time in February, the latter part of February or the early part of March. After we had reported this bill back, and before these amendments were finally reported, before the last amendment to the sugar schedule was reported, not more than two or three weeks ago, there was some proposition by some members of the Senate to make a schedule of 40 and 45 per cent, and it was submitted to Senator Vest and me, and Mr. Carlisle happened to be in the room. I do not think he came there by appointment. I think he happened to be in Gen. Cockrell's committee room.

There was some talk in the presence of Mr. Carlisle, Senator Vest, and me of making a schedule of 40 or 45 per cent, and I asked Mr. Carlisle to prepare a schedule. We had made up our minds that we were going to prepare a 40 per cent schedule, and when this proposition was made I proposed to Mr. Carlisle to draw up the amendment, or have it drawn, proposing I do not remember whether I suggested to him that he should draw it 40 and 45 or 40 and one-eighth; my impression is 40 and one-eighth, and the question was whether we would agree to 45 or whether we would stick to the one-eighth.

I asked Mr. Carlisle if he would have that drawn, giving him the points, and he said he would. I asked him merely to save myself the labor of it, because, the data being in the Treasury Department, I thought he would be sure to have all the points covered.

I think the next day I got in the mail a type-written schedule, which was just such as I asked him to have made, and Senator Vest and I met that morning and talked the matter over, and determined that the 45 per cent would give the refiners a larger margin than the proposed schedule of 40 per cent and one-eighth, as we did not intend to make a larger margin for the refiner than we had already made.

We did not report that schedule. I may have taken the schedule from the Treasury Department and changed that, but that is the only instance in which Mr. Carlisle has been connected with the drawing up of the schedule at all, and he drew that at my request, when we had under consideration the 40 and 45 per cent or the 40 and one-eighth. I do not know which way he drew it.

The CHAIRMAN. This was after the report of the first bill for specific duties?

Senator JONES. Yes, sir; I think it was the very day before this last proposed sugar schedule was put in.

The CHAIRMAN. Is that memorandum in existence?

Senator JONES. I presume Mr. Durfee has it. I sent for Mr. Durfee. He made these amendments and put them in shape for me; in fact, he drew most of these amendments. I told him to do what I wanted done, and I asked Mr. Carlisle to draw the amendment just as I would ask Mr. Durfee.

The CHAIRMAN. Has Mr. Carlisle the draft?

Senator JONES. I think he has it, as it was sent from the Treasury Department. My impression is it was made in typewriting, although

I am not sure of it. I do not know whether Mr. Carlisle drew it or whether it was drawn by some clerk in the Department.

Senator LODGE. This statement is that the draft had interlineations in Mr. Carlisle's handwriting.

Senator JONES. There is no truth in it. There was nothing of that kind done at that time. Mr. Carlisle never made a proposition to us about the sugar schedule. He discussed the sugar schedule by request with us. He was never before the committee when he was not sent for. I telephoned for him many a time, and he came down, and he expressed his opinion only when his opinion was asked. He never suggested to the committee any particular schedule that should be adopted. He never expressed or suggested a line to the committee in connection with the sugar schedule.

Senator LINDSAY. This conversation in regard to this particular schedule came up in a casual meeting of the Committee on Appropriations with Mr. Carlisle?

Senator JONES. That is my impression.

Senator LINDSAY. He did not come to you nor did you go to him?

Senator JONES. No, sir; that is my recollection of it. We simply met in the room while Senator Vest was there, and it was simply a suggestion to put this schedule in, and there were some Senators who insisted that there should be an ad valorem duty on sugar. I heard Mr. Carlisle say a number of times, with reference to collections, that the law could be enforced on ad valorem and a duty collected on sugar without any difficulty. As to his insisting on any particular conduct about the collection of the taxes, there was never any sort of conversation at all. When we were down here, I asked him simply, as I would have asked Mr. Durfee if he had been present, to prepare that schedule in the line as indicated, it being understood then, and the next morning I would make a recommendation. I made up the figures that night, and made up my mind that 40 and 45 per cent would give the refiners more margin than 40⅛ would. When Senator Vest and I came together, we agreed not to recommend 40 and 45 per cent, but we would recommend a 40 and one-eighth additional for refining.

The CHAIRMAN. Were you an active member of the committee in framing the bill presented to the Senate?

Senator JONES. I was; all the time.

The CHAIRMAN. Were you there as often as anybody else?

Senator JONES. I think I was there all the time.

The CHAIRMAN. You mean by that after you got well enough?

Senator JONES. Yes. Of course, when I was sick in bed I was not there; but Senator Vest and Senator Mills were working on the bill when I went up there. After that I do not think there was anything done on the bill when I was not present.

Senator ALLEN. Senator Vance had nothing to do with this bill, had he?

Senator JONES. No, sir.

Senator ALLEN. He was sick during its preparation, and subsequently died?

Senator JONES. Yes, sir.

Senator LODGE. The statement is that it was in typewriting with interlineations of Mr. Carlisle. That is why I asked you if you remembered it.

Senator JONES. In this last paper that came here it may be possible that there may have been interlineations, but if there were—well, yes;

I think there were interlineations, and I think, perhaps, Mr. Carlisle made those interlineations. I did not recollect that at first.

My recollection is, that I first asked Mr. Carlisle to write that schedule one way, either for 40 and 45 or for 40⅛. I afterwards asked him to write it the other way. I do not remember exactly when I asked him, but my recollection is he made that change from one to the other. That is the schedule I talked about here. I think that was done. The change was made at my request, if there was one made. I think there was a change made at my request.

Senator LODGE. So you looked at Mr. Carlisle's agency as simply the manual agency?

Senator JONES. It was simply that, because what Mr. Carlisle did in the matter I was responsible for; and I think, if I remember correctly, that there was a change made at my request, and I think Mr. Carlisle came with a paper in his pocket—a paper in typewriting—as I had requested, and I asked him to make the change as it was made.

Senator LODGE. Did Mr. Carlisle furnish any other statement than the one you speak of?

Senator JONES. No, sir; none whatever.

SWORN TESTIMONY OF JOHN G. CARLISLE.

(*May 31, 1894.*)

Senator LODGE. You are Secretary of the Treasury of the United States?

Mr. CARLISLE. I am.

Senator LODGE. And have been serving as such during the present session since the 4th of March last?

Mr. CARLISLE. Since the 7th of March, 1893.

Senator LODGE. In the Philadelphia Press of Monday, May 14, 1894, appeared the following statement:

Upon one occasion, some time in February, when the Finance Committee, or the Democratic members of it, were in perhaps informal session, there came into the room unexpectedly to all those present, excepting two members, none other than the Secretary of the Treasury, Mr. Carlisle. His going there at that time has never been reported until this writing of it. He went secretly and came away secretly. His visit was supposed to be a confidential one. It was a confidence not imposed upon one member of that committee, and, therefore, it is possible now to make report of what Mr. Carlisle said. They looked upon him as speaking, not so much for Mr. Carlisle, as for the administration. He did not say that he came from the President, but when he had finished making his astonishing statement not one of those who heard him doubted that he had come from the President and was echoing the President's wishes and giving emphasis to them by an earnest, and for him, excited manner. What he said is quoted from remembrance, but it is substantially accurate as it was reported by one who heard it. He said:

"Gentlemen, there is one thing that I am bound to say to you as earnestly and impressively as I can do it, and I speak to you as a Democrat to Democrats. No party, or the representatives of no party, can afford to ignore honorable obligations. I want to say to you that there seems to be danger that this is going to be done. Gentlemen associated with the sugar refining interests (I may tell you what, perhaps, you do not know) subscribed to the campaign fund of the Democratic party, in 1892, a very large sum of money. They contributed several hundred thousand dollars, and at a time when money was urgently needed. I tell you that it would be wrong, it would be infamous, after having accepted that important contribution, given at a time when it was imperatively needed, for the Democratic party now to turn around and strike down the men who gave it. It must not be done. I trust that you will prepare an amendment to the bill which will be reasonable and in some measure satisfactory to these interests."

That in substance was the plea of Secretary Carlisle to the members of the Finance Committee that they respect the obligations entered into by the national campaign committee and the personal representatives of Mr. Cleveland in 1892. It was a plea powerfully put. *Mr. Carlisle said but little more; he had said enough.* He turned

and left the committee, going away with that secrecy with which he came, but before he did so he signified his willingness himself to prepare an amendment which he thought would be fair to the Government, and yet be just to the sugar interests.

That very thing he did not long after. The chairman of the Finance Committee received and showed to certain favored friends the draft of an amendment in Secretary Carlisle's own handwriting to the sugar schedule, and that draft is in Mr. Voorhees's possession to this day, unless he has destroyed it. Secretary Carlisle had scratched out from the printed schedule the provisions as originally made and by interlineations had inserted the following words: "On all sugars not above No. 16, Dutch standard and on all." After the word "all" the printed form remained in which mention was made of other sugars, and then this interlineation, "instead of one-eighth of 1 per cent, 45 per cent ad valorem."

What statement have you to make in regard to that?

Mr. CARLISLE. I was absent from the city from the 13th day of May until last Thursday, a week ago to-day, and therefore saw none of the publications, which I understand have been made by the newspapers, and this is the first time I have ever heard any of them read.

I want to say that so far as my having made a secret visit to the Committee on Finance of the Senate, or the Ways and Means Committee of the House, or to any subcommittee of either of them, or any member of either of them, it is absolutely false. I have no recollection of seeing the committee at all in February, as I observe that paper states. But it is possible I did, because I was upon two or three occasions requested by the subcommittee having the tariff bill under consideration, or some member of it, sometimes one and sometimes another, to come over to the Capitol and talk with him upon the subject. But I never upon a single occasion, with one exception which I will mention presently, appeared before the subcommittee or the committee without such a request.

As to the statements attributed to me there not one of them was ever made by me to the subcommittee, to the committee, or to any other human being.

The CHAIRMAN. Or anything like that statement?

Mr. CARLISLE. Nothing from which an inference of that kind could be drawn.

Senator LODGE. Did you ever say anything to them about any contribution having been made by the sugar trust to the campaign fund of the Democratic party?

Mr. CARLISLE. No, sir.

Senator LODGE. And never knew of any such thing?

Mr. CARLISLE. No, sir. If you want me to give my information, derived from a member of the committee, I will say that the sugar trust gave nothing whatever to the Democratic campaign committee. That is merely from hearsay. I know nothing about it personally. As I remember the statement just read by the Senator, it is that this occurred in February.

Senator LODGE. Upon one occasion some time in February.

Mr. CARLISLE. I paid attention to that as you read it. Without going into details about it, I desire to state in the most emphatic way that not a word of it was spoken by me to anybody on any occasion. On the morning of the 5th of May—the present month—Senator Jones, of Arkansas, who appeared to be acting in the matter, and perhaps had charge largely of the preparation of some amendments which it was supposed would be proposed to the pending bill, came to my residence. I found him in my parlor when I came down to my breakfast in the morning, and he told me that the committee or the subcommittee, had agreed upon a certain rate of duties for sugar to be incorporated in the bill, in lieu of the paragraph upon that subject which was already in

the bill as reported to the Senate by Senator Voorhees, and he either gave me on a piece of paper a brief memorandum of the new schedule or paragraph, or he stated it to me, I will not be positive which.

At any rate, he informed me what it was, and he asked me if I would be kind enough to put that in proper form or have it done at the Treasury Department. I said certainly I would. It was a service that we had been doing very frequently during the consideration of this bill, and a service which, according to my own knowledge, the Secretary of the Treasury has always done heretofore when tariff bills were pending.

I went down to the Department and dictated to my stenographer the paragraph containing exactly the provisions which Senator Jones had asked me to put in it, and I will read it to the committee:

On or after January first, eighteen hundred and ninety-five, there shall be levied and collected on all sugars, tank bottoms, sirups of cane juice or of beet juice, melada, concentrated melada, or concrete and concentrated molasses, a duty of forty per centum ad valorem, and upon all sugars above number sixteen Dutch standard in color there shall be levied and collected a duty of one-eighth of one cent per pound in addition to the said duty of forty per centum ad valorem: *Provided*, That all sugars, tank bottoms, sirups of cane juice or of beet juice, melada, concentrated melada, concrete or concentrated molasses which is imported from or is the product of any country which at the time the same is exported therefrom pays, directly or indirectly, a bounty on the export thereof, shall pay a duty of one-tenth of one cent per pound in addition to the foregoing rates.

After I prepared that I looked at the bill as it stood and discovered what perhaps I knew before, but I noticed, at any rate, that the duty on molasses followed immediately afterwards, and as Senator Jones had said nothing to me about changing the rate on molasses, I was at a loss to know what rate to put in on that article; so I sent him this message by telephone:

TREASURY DEPARTMENT,
Washington, May 5, 1894.

Hon. J. K. JONES,
Senate Chamber:

MY DEAR SIR: Do you propose to make any change in molasses? I will be at the Capitol at half past 2 o'clock.

I dictated this note to my stenographer and what I read here is taken from his notes. I had my stenographer copy it to-day. Senator Jones telephoned back that molasses was to remain just as it was in the bill, and therefore nothing was said in the new amendment about molasses, because this would go into the sugar part of the paragraph, and the molasses would stand as it was before.

This statement, "I will be at the Capitol at half past 2 o'clock," was in response to a telephone message which I had received at the Department asking me if I could not come to the committee and bring with me the amendment which he had asked me to prepare in the morning.

At 2 o'clock, or about that time, I came over here. I found the committee, or some members of it, in the small room of the Appropriations Committee, having gone myself first to the Committee on Finance, and not finding anyone there except a messenger.

The CHAIRMAN. That is Senator Cockrell's committee?

Mr. CARLISLE. Yes, sir.

There were in the small room mentioned Senator Vest, Senator Jones, and Senator McPherson, and Hon. C. R. Breckinridge, of Arkansas, a member of the Committee on Ways and Means of the House; Mr. Sharretts, a member of the Board of General Appraisers, was also present, and I think Mr. Talbott, who is clerk of the Com-

mittee on Ways and Means of the House. They seemed to be very much engaged in the little room around a table with a number of papers before them, and after stopping a moment there I stepped into the larger room and sat down.

After a few minutes Senator Vest and Senator Jones came into that room, and I showed Senator Jones what I had written, which was exactly in accordance with my instructions from him in the morning. Then Mr. Gorman came in; he was a member of the Committee on Appropriations.

A conversation was had about the tariff, and as to how we were getting along with it, and what would probably be the result in a general way.

After talking some time it was suggested by some one—and I am not able now to state by whom, but certainly not by me, for I made no original suggestion about it—that instead of having 40 per cent ad valorem upon all sugars, and one-eighth of a cent additional upon sugars testing above 16 Dutch standard in color there should be a duty of 40 per cent upon all sugars below No. 16 Dutch standard in color and 45 per cent on all sugars above 16 Dutch standard in color, the additional 5 per cent being, as you will observe, equal to one-eighth of the 40 per cent on the other grades.

That was talked about, and while it was not agreed to—because, as I say, there were only two members of the Finance Committee present, Senator Jones and Senator Vest—it seemed to be the impression that they would submit that kind of a proposition to the committee. Whereupon some one of them asked me if I would not write it. I said: "I will just take this amendment which I have in my hand and interline it." In addition to that they said they wanted to put into the amendment a clause in relation to the Hawaiian treaty. They wanted to insert a clause that this schedule should not abrogate or in any manner impair the provisions of the Hawaiian treaty, and asked me if I could not write that also.

I said: "I will just take this paper and interline it." I had to get the treaty, and consequently I stepped into the room of the Committee on Finance. I found there Mr. Taylor, one of the messengers, and I asked him if they had in that committee room a book containing the treaties between the United States and foreign governments, and he said he thought not. I asked him to step down to the room of the Committee on Foreign Affairs and procure a copy of it and bring it to me, which he did. He brought it into the room and handed it to me as I sat at the table by myself. There was nobody in there, unless Mr. Taylor was passing in and out, and I made these changes, which I will now give you.

After the words "all sugars" in line 2, I inserted "not above No. 16 Dutch standard in color and on all," so that it would read:

On and after January first, eighteen hundred and ninety-five, there shall be levied and collected on all sugars, not above No. 16 Dutch standard in color and on all, etc.

And then after the word "duty" in line 6, just preceding the words "of one-eighth," I erased down to and including the word "ad valorem," just before the word "provided," and inserted this, "45 per cent ad valorem."

That is to say, I took out the part which provided for one-eighth of a cent per pound additional, and put in the provision for 45 per cent ad valorem. Then I added to it in my own handwriting—these interlineations being also in my own handwriting—all the provisions now contained in it with regard to the Hawaiian treaty, just as it is to-day.

Senator DAVIS. Just exactly as they now stand?

Mr. CARLISLE. Just exactly as they now stand. The amendment as it now stands in the bill is not exactly as I prepared it, for if you had the bill here you would see that it contains in line 4, page 40, of the amendments which were printed on the 7th of May, 1894, these words: "And upon all sugars which have been discolored." It reads:

Upon all sugars above No. 16 Dutch standard in color, and upon all sugars which have been discolored, there shall be levied, collected, and paid a duty of one-eighth.

Those words were not in any bill before the 5th of May, and were not in this amendment which I prepared.

The CHAIRMAN. That is on all sugars that have been discolored?

Mr. CARLISLE. On all sugars which have been discolored. How they got there I do not know.

This was on Saturday evening. The gentlemen of the committee with whom I had this conversation informed me that they desired to have all these amendments printed on Monday, and therefore it was important that whatever they had prepared should be in proper form and consistent, and you will observe that this amendment provides "that on and after January 1, 1895, there shall be levied, collected," etc., whereas the clause in the bill which preceded this read as follows:

That so much of the act entitled "An act to reduce revenue, equalize duties, and for other purposes," approved October first, eighteen hundred and ninety, as provides for and authorizes the issue of licenses to produce sugar, and for the payment of a bounty to producers of sugar from beets, sorghum, or sugar cane grown in the United States, or from maple or sap produced within the United States, be, and the same is hereby, repealed, to take effect July first, eighteen hundred and ninety-five, and thereafter it shall be unlawful, etc.

You will see, therefore, that unless that date was changed the provision in here that this duty should take effect on the 1st day of January, 1895, would be inconsistent with it, and there would have been a period from July 1, 1894, to January 1, 1895, when you would have had neither a bounty nor a duty on sugar.

After I left the committee it occurred to me that the other date ought to be corrected to correspond with this. Consequently, on Sunday morning—and this is the only time I ever went before the committee without a request—on Sunday morning I got into my carriage and drove up to Senator Jones' house—he lives only a few blocks from me—for the purpose of calling his attention to this discrepancy, in order that when they had the amendments printed the next morning they might be consistent.

I was informed at his house that he was not there, but had gone over to the Capitol, and I then drove over to the Capitol. I found there Senator Jones, Senator McPherson, Senator Vest, Mr. Breckinridge, Mr. Sharretts, and also, I think, the clerk of the House Committee on Ways and Means, but about that I am not certain. I went into the room and told them what I had come for; that it had occurred to me perhaps they might overlook it, and it was a matter of some consequence to have the bill consistent, and if they made the change from the 1st of July for the duty they should also change the date when the repeal should take effect.

I do not remember now who it was, but someone thanked me for calling attention to the matter; and as I started to go out of the committee room Senator Jones walked with me towards the door and said, "The last amendment which you prepared yesterday afternoon has never been submitted to the other members of the com-

mittee and will not be; it has been abandoned." I said, "All right," and walked out. That was the amendment which changed the duty to 40 and 45, and he made the remark to me, as I was going out of the door, or was going towards the door, that it had not been submitted to the other members, and they had abandoned the idea of submitting it, and nothing more was said about it then or since.

The amendment which I prepared by interlineations in the Committee on Finance I handed to Senator Jones as I passed through going out of the Capitol on that Saturday afternoon and I have never seen it since.

Now, it seems to me that some person—I do not know who it is—has seen that amendment in my handwriting, undoubtedly, from the statement which the Senator has just read to me, and as far as I am concerned it may be published to the whole world and read in the Senate or anywhere else. It was simply a compliance with the request of Senator Jones and the others present, and on that the writer has based all this statement, I presume, though he fixes the time in February. It was on the 5th day of May.

Senator LODGE. The schedule in the bill, as first reported, provided for specific duties, as I understand?

Mr. CARLISLE. Yes, sir.

Senator LODGE. The amendment which you drafted abandoned specific duties and made them all ad valorem?

Mr. CARLISLE. The first one made part ad valorem and part specific. It was my information from Senator Jones that they had agreed upon that, and I was asked to prepare it. The second one, by interlineations, made all the duty ad valorem.

Senator LODGE. Do you know whether the ad valorem duties were advocated by the refining interests?

Mr. CARLISLE. I think they were. In fact, I know, for both the refiners and the planters talked to me on the subject. I have heard all sides on this and other questions involved in the bill. From the time it started, as would naturally be supposed, everybody seemed to think that the Secretary of the Treasury would have some agency in the preparation of the bill, and they came to me and talked with me about a great number of things, about iron, steel, woolen goods, cotton goods, guns, percussion caps, screws, cigarettes, condensed milk, window shades, machinery, bagging, and there are perhaps forty or fifty other things that people have been to see me about. I would usually say to them: "You have come to the wrong place; you should go and talk to members of the committee." Sometimes they would say to me: "We can not get to see them; they are usually very busy."

On some occasions a gentleman would ask me to give him a note to some member of the committee, and I would do so. If a man came to me whom I thought was a gentleman and asked me to give him a letter of introduction to any member of the committee, I did it. I gave a note of introduction to Mr. Mills, and I gave a note to Senator Jones and Senator Vest and others. Whether the gentleman saw them or not in every case I do not know.

Senator LODGE. Did the representatives of the planters come to see you about it?

Mr. CARLISLE. Several times, and sometimes in a body.

Senator LODGE. Did the representatives of the sugar trust come to you also?

Mr. CARLISLE. There have been three gentlemen to see me. Mr. Searles came into my office once, and only once, so far as I remember,

and had some conversation about what he thought ought to be put on sugar. I can not tell you when he did so, but I know we had a conversation on that subject.

Mr. Havemeyer came into my office, Mr. H. O. Havemeyer, who is the president of the trust, I believe. He told me what he thought about it. He thought there ought to be an ad valorem rate on sugar.

Mr. Henry R. Reed, of Boston, has been in my office two or three times, perhaps, and talked about this matter, but I would not undertake to tell you specifically what either one of them said. They were general conversations about the tariff and the rates of duty which they thought ought to be imposed upon sugar.

I had just such conversations with other people representing different articles affected by the bill.

The CHAIRMAN. They were representing their own interests?

Mr. CARLISLE. They were representing their own interests.

Senator LODGE. Did you give them letters of introduction?

Mr. CARLISLE. I am under the impression that I gave Mr. Reed a letter of introduction to Senator Jones. I gave Mr. Havemeyer a letter of introduction to Mr. Mills. Mr. Havemeyer stated that he knew Mr. Mills very well himself, but he said, as Mr. Mills was very busy, he would probably not see him unless he had a note from me, and I gave him a note.

I do not think he saw Senator Mills. The Senator told me afterwards he could not see him. It was only an ordinary note, which I hope, if there is any question about it, will be produced and published.

Senator LINDSAY. Considering the relations of the Secretary of the Treasury to the finance of the country, would you hesitate or regard it as indelicate to suggest any change that you thought was essential to the financial interest?

Mr. CARLISLE. I would not, certainly. But as to the sugar schedule I will say I never made any suggestion about it. I mean by that any independent or original suggestion, any voluntary suggestion. Of course, I would not say that in conference with the gentlemen of the committee, when one of them made a suggestion or proposition, that I would not say something on the subject, just as the other gentlemen would; that is, we would discuss it. But I never otherwise made a suggestion about the sugar schedule.

In further answer to Senator Lindsay's question I will say that we have originated in the Treasury Department quite a number of paragraphs that are in the bill now. Others we have remodeled, redrafted, in the Treasury Department upon our own motion, after having seen them in the bill and coming to the conclusion that they were inartificially drawn; we would reconstruct them and send them to the committee; and the chairman of the Finance Committee has no doubt a great many letters from me making suggestions as to the form in which tariff provisions should be put. It is a very common thing.

I want to say, further, that if I am asked hereafter by the committee to assist them in the preparation of the bill I intend to do it. I consider it part of my official duty to do so in matters which pertain especially to that Department.

The CHAIRMAN. Let me ask you this: Before you entered upon your present office were you a member of the Finance Committee of the Senate?

Mr. CARLISLE. Yes, sir.

The CHAIRMAN. And were you not for many years a member of the Ways and Means Committee of the House?

Mr. CARLISLE. Yes, sir.

The CHAIRMAN. How long?

Mr. CARLISLE. I think I was about six years a member of the Committee on Ways and Means of the House, perhaps not quite so long, because I went to the Senate from the House while a member, and I was from May, 1890, to about the 1st of February, 1892, a member of the Committee on Finance of the Senate.

The CHAIRMAN. And from your experience on those committees was it unusual or necessary in the preparation of tariff bills to consult the Secretary of the Treasury?

Mr. CARLISLE. I never knew a tariff bill to be prepared without more or less consultation with the Treasury Department, sometimes the Secretary himself in person; sometimes with other Treasury officials who were supposed to have expert knowledge upon the subject.

The CHAIRMAN. Was it within your own knowledge as a member of the Ways and Means Committee of the House or the Finance Committee of the Senate a frequent occurrence, or not, to call upon the Secretary of the Treasury for assistance?

Mr. CARLISLE. Oh, yes. It has always been, so far as I know.

Senator LODGE. I understood you to say that this amendment was given by you to Senator Jones and that Senator Vest was present. Did you mention any other member of the Committee on Finance at that time?

Mr. CARLISLE. If you understood me to say that Senator Vest was present when I handed it to Senator Jones you misunderstood me. Senator Vest was present when I was asked to go and prepare it. When I returned from the room of the Committee on Finance to the Committee on Appropriations I was told by the messenger at the door that the gentlemen had left, but that Senator Jones had gone down to his own room, which was on the floor below, but not out of my way as I went out of the building. I went by Senator Jones' room, stepped in and handed him this amendment with my interlineations as I have already described, and simply remarked to him, "I have prepared this as you requested," and went out.

Senator LODGE. During this conversation, before you made the interlineations, were there any other members of the Finance Committee there that you recall?

Mr. CARLISLE. I am quite certain there was no other member present, although Senator McPherson was in the other room, as I have stated. He was not in the large room; I was there but a few minutes. My sole business was to bring that amendment. After I had brought it, this conversation arose as to the change of the form of it, and it was not agreed to, as you understand. It was only suggested that they would present that to the other members for their consideration, but, as I was informed by Senator Jones the next morning, they did not do it.

The CHAIRMAN. They abandoned it?

Mr. CARLISLE. They abandoned it.

Senator ALLEN. I understood you to say, in substance, in preparing this proposed amendment and making interlineations which you made you were simply acting——

Mr. CARLISLE. As the amanuensis of Senator Jones, you might say.

Senator ALLEN. That you were simply acting for his accommodation, and not acting officially or semiofficially?

Mr. CARLISLE. I did not make a single suggestion about it when he asked me to prepare it. There was nothing in it that was not contained in substance in Senator Jones's memorandum, if he gave me one

in writing, or in his statement to me verbally. I merely took what he wanted and put it in form.

Senator LODGE. There was some discussion, I think you said, in regard to the sugar schedule while you were all standing there, before you made the interlineations.

Mr. CARLISLE. Oh, yes. I understood Senator Allen to be speaking now about the first amendment. I brought that over, and when I brought it over, as I have said, this other matter came up, and apparently, if I may use the expression, incidentally I presented this amendment, and we got to talking about it and the suggestion was made that it would be substantially the same thing to put ad valorem all the way through; that is to say, 40 per cent on sugar below No. 16 Dutch standard, and 45 per cent, which apparently is one-eighth more, on sugar above No. 16 Dutch standard, and that was interlined and the Hawaiian part added.

Senator LODGE. You did not advise them as to whether it was better to have ad valorem or specific duties?

Mr. CARLISLE. I have always been in favor of an ad valorem duty, but I do not remember that I gave them any such opinion then. There was very little said about it. I may say also that I have always been in favor of a moderate duty on sugar as a revenue article, and I prepared the minority report on the McKinley bill against the provisions putting sugar on the free list.

Senator ALLEN. I understood you to say that you have no knowledge, personal or otherwise, upon the subject of contributions by the sugar trust to the Democratic campaign fund or any other campaign fund.

Mr. CARLISLE. Not the slightest.

Senator ALLEN. It may be proper for me to ask you in this connection, whether either of these representatives of the sugar trust in talking with you indicated that the Democratic party was under obligations to them.

Mr. CARLISLE. Not the slightest. Mr. Searles, I believe, is a Republican, and whether Mr. Havemeyer is a Democrat or not, I do not certainly know. I think the Havemeyers claim to be Democrats, both of them. I have been acquainted with Theodore Havemeyer and H. O. Havemeyer for a great many years, having become acquainted with them by reason of my services on these various committees where matters affecting their interests were frequently presented, and I never heard either of them say that anybody——

The CHAIRMAN. Did these gentlemen you have mentioned visit the Committee on Ways and Means when the McKinley bill was being prepared?

Mr. CARLISLE. Oh, yes, sir; and also when the Mills bill was pending, and when the Wood tariff bill was pending many years ago. When the Morrison bill was pending the gentlemen who were to be affected by the proposed legislation were here.

Senator ALLEN. When you visited the subcommitte at the Capitol, who was present at that time?

Mr. CARLISLE. I have stated, as near as I can remember, but I will repeat it: Senator Jones, of Arkansas; Senator Vest, Senator McPherson——

Senator ALLEN. This was on the Sabbath?

Mr. CARLISLE. Yes, sir; on Sunday morning. Mr. C. R. Breckinridge, of Arkansas, a member of the Committee on Ways and Means of the House; Mr. Sharretts, one of the Board of General Appraisers

at New York, but I believe his home is in Baltimore, and I think the clerk of the Committee on Ways and Means, but I am not positive as to this.

Senator DAVIS. You mean the Committee on Ways and Means of the House?

Mr. CARLISLE. Yes, sir. I am not positive he was there on Sunday, but I know he was present Saturday afternoon.

The CHAIRMAN. Has he not been working with the Finance Committee in the preparation of this bill?

Mr. CARLISLE. He has been there several times and is regarded as an expert.

The CHAIRMAN. Is he not the gentleman who was sitting beside Senator Vest during the discussion of the tariff bill?

Mr. CARLISLE. I do not know that.

The CHAIRMAN. That is the fact, however.

Mr. CARLISLE. Yes, sir.

Senator ALLEN. I will ask you this question, because the article Senator Lodge read indicates there was a meeting of the members of the sugar trust and certain Senators here on Sunday.

Mr. CARLISLE. I know nothing about it.

Senator ALLEN. Did you at that time see Senator Caffery?

Mr. CARLISLE. No, sir.

Senator ALLEN. Did you see either of the Havemeyers or Mr. Searles?

Mr. CARLISLE. No, sir; I saw nobody about the Capitol except those gentlemen I have mentioned, and the doorkeepers when I entered the Capitol.

Senator ALLEN. There was no passing of Senators from one room to another?

Mr. CARLISLE. No, sir. When I came in I asked the doorkeeper if he knew where Senator Jones was. I had been informed at Senator Jones' house that he was over here.

Senator ALLEN. Did there appear to be any going to and fro from the committee rooms in the Capitol?

Mr. CARLISLE. I did not see anybody in the committee rooms or in the Capitol, except those I have already mentioned.

Senator ALLEN. Did anything indicate to you that messengers were sent from that room and being received into another room?

Mr. CARLISLE. I saw nothing any more than I have already stated.

Senator ALLEN. Your meeting was only casual; it was not arranged?

Mr. CARLISLE. No, sir; it was voluntary on my part.

Senator ALLEN. You did not expect to see anybody but Senator Jones?

Mr. CARLISLE. I did not expect to see anybody but Senator Jones. I supposed Senator Jones was over here in his room at work by himself. When I came here I found the other gentlemen. As I have said, I have not seen any of the witnesses who have testified here, and I have never seen any of the testimony given here.

The CHAIRMAN. Has any member of this committee ever spoken to you about what has been going on here?

Mr. CARLISLE. No, sir; I have not had the slightest communication either directly or indirectly, written or oral, with any member of this committee.

The CHAIRMAN. Until this moment?

Mr. CARLISLE. No, sir; not until I received your telephone message a few moments ago

Senator ALLEN. Has any Senator who has been examined here conversed with you?

Mr. CARLISLE. I never had a word with anybody who has been examined before this committee—nobody, Senator nor anybody else—about these matters. I have not seen, except in the newspapers, anything that has transpired before this committee. I have not seen any of the testimony taken here except so far as it may have been published in the newspapers, and perhaps I have seen only a small portion of that. I have seen something, and naturally felt some little interest in the question presented here, whether you could compel the gentlemen to disclose the names of the people who have made so many false statements.

Senator ALLEN. The gentleman who wrote the article which Senator Lodge has read to you, and about which he has been examined—Mr. Edwards by name—states that he was informed by a person who was present when you made the appeal which he states you did make to the Democratic members of the committee, but whose name he declines to give to the committee. That is the way the issue sprang up. Have you any notion of your own who could have been present, or who could have been his informant?

Mr. CARLISLE. Not the slightest, because nothing of the sort ever occurred. The only time I ever prepared an amendment to the sugar schedule is the one I have detailed, and it was not in February, but in May.

As I stated at the outset, I have no recollection now which would justify me in saying whether I ever saw the subcommittee or any member of it during the month of February, but I think it is probable I did, because occasionally one of them would come to me and talk about the tariff; not especially about the sugar schedule, but about all the matters connected with the tariff bill.

Senator DAVIS. The policy?

Mr. CARLISLE. The policy; yes, sir. And I was never asked to do anything with regard to the sugar schedule except that one time. The first time I ever remember to have been before the subcommittee at all was during the period when Mr. Mills was serving on it, but the date I am not able to give.

The CHAIRMAN. You were there by request of some member of the committee?

Mr. CARLISLE. My recollection is I was there at the request of Senator Jones.

The CHAIRMAN. Do you remember what was talked about?

Mr. CARLISLE. A great many things, but I could not undertake to tell you what was said. I have no recollection now that anything was said about the sugar schedule.

The CHAIRMAN. Did you talk about the general policy?

Mr. CARLISLE. Of course there was a general talk of what should be done, and what ought to be done, and what the strength of the bill was in the Senate, and such matters as Senators, under the circumstances, would naturally talk about.

SENATOR ISHAM G. HARRIS—Recalled.

Senator LODGE. You have been heretofore sworn and examined in this matter?

Senator HARRIS. I have.

Senator LODGE. You are a Democratic member of the Finance Committee?

Senator HARRIS. I am.

Senator LODGE. And you have served as such during this Congress?

Senator HARRIS. I have.

Senator LODGE. Senator Harris, there appeared in the Philadelphia Press, Monday, May 14, 1894, the following statement:

Upon one occasion, some time in February, when the Finance Committee, or the Democratic members of it, were in, perhaps, informal session, there came into the room unexpectedly to all those present excepting two members, none other than the Secretary of the Treasury, Mr. Carlisle. His going there at that time has never been reported until this writing of it. He went secretly and came away secretly. His visit was supposed to be a confidential one. It was a confidence not imposed upon one member of that committee, and, therefore, it is possible now to make report of what Mr. Carlisle said. They looked upon him as speaking not so much for Mr. Carlisle as for the administration. He did not say that he came from the President, but when he had finished making his astonishing statement not one of those who heard him doubted that he had come from the President and was echoing the President's wishes and giving emphasis to them by an earnest, and for him, excited manner. What he said is quoted from remembrance, but it is substantially accurate, as it was reported by one who heard it. He said:

"Gentlemen, there is one thing that I am bound to say to you as earnestly and impressively as I can do it, and I speak to you as a Democrat to Democrats. No party or the representatives of no party can afford to ignore honorable obligations. I want to say to you that there seems to be danger that this is going to be done. Gentlemen associated with the sugar-refining interests (I may tell you what perhaps you do not know) subscribed to the campaign fund of the Democratic party in 1892 a very large sum of money. They contributed several hundred thousand dollars and at a time when money was urgently needed. I tell you that it would be wrong, it would be infamous, after having accepted that important contribution, given at a time when it was imperatively needed, for the Democratic party now to turn around and strike down the men who gave it. It must not be done. I trust that you will prepare an amendment to the bill which will be reasonable and in some measure satisfactory to these interests."

That in substance was the plea of Secretary Carlisle to the members of the Finance Committee that they respect the obligations entered into by the national campaign committee and the personal representatives of Mr. Cleveland in 1892. It was a plea powerfully put. Mr. Carlisle said but little more; he had said enough. He turned and left the committee, going away with that secrecy with which he came, but before he did so he signified his willingness himself to prepare an amendment which he thought would be fair to the Government and yet be just to the sugar interests.

That very thing he did not long after. The chairman of the Finance Committee received and showed to certain favored friends the draft of an amendment in Secretary Carlisle's own handwriting to the sugar schedule, and that draft is in Mr. Voorhees's possession to this day, unless he has destroyed it. Secretary Carlisle had scratched out from the printed schedule the provisions as originally made and by interlineation had inserted the following words: "On all sugars not above No. 16, Dutch standard, and on all." After the word "all" the printed form remained in which mention was made of other sugars, and then this interlineation, "instead of one-eighth of 1 per cent, 45 per cent ad valorem."

Do you know of any such statement having been made by Mr. Carlisle to the Finance Committee?

Senator HARRIS. I have never heard of any such statement having been made by Mr. Carlisle to the Finance Committee or to anybody else, or to any member of the committee or anyone else, until I heard of that publication.

Senator LODGE. Did you ever see or hear of the memorandum there referred to?

Senator HARRIS. Never, until the reading of the article.

Senator LODGE. You never heard Mr. Carlisle say anything to the committee which could be twisted or distorted in the way it is in that article with relation to the sugar trust contributing money to the Democratic campaign fund?

Senator HARRIS. I am absolutely confident that never in my presence has he ever made any such remark or the remotest reference to the sugar trust or anybody else contributing money to the Democratic campaign fund.

The CHAIRMAN. Have you ever heard from any other member of the committee that such an appeal was made to them by Mr. Carlisle?

Senator HARRIS. Never.

Senator LODGE. There is this further statement in this article:

We had, upon the Sunday before the bill as first reported was sent to the Senate, a striking illustration of the absolute domination of the sugar trust over the Democratic members of the Finance Committee. That was an all-day-and-half-the-night session, and upon the Sabbath day. In one room were the Democratic members of the Finance Committee, and also in the wing of the Capitol were the representatives of the sugar trust. There were Havemeyer and Terrill and Meyer, Ben Le Fevre and others. These men sat as the rulers of a political convention sit in a place apart and yet within instant communication of those who are to act. There were runnings back and forth between the finance rooms and the quarters occupied by the trust all day. Everything had been arranged up to the point of satisfying Louisiana Senators. Even the trust realized that it was necessary for the Democratic party to placate these Louisiana men, or else there would surely be two votes against the bill. It was a question of compromise, each side giving a little and taking a little. At one time it seemed as though the whole negotiation must go to pieces. Never was there more desperate battle between conflicting interests in the committee rooms of the Capitol. At last, late that evening, Senator Caffery drafted a schedule, Mr. Havemeyer looking over his shoulder and the other members of the sugar trust watching the Senator with eyes that fairly glittered, so one Senator who saw that spectacle afterwards reported. It was the crucial moment. When Senator Caffery had finished, the sugar trust read his draft, reluctantly accepted it; it was taken to the room of the Finance Committee and there accepted, the victory won, and the original draft is still in the possession of the committee in Caffery's handwriting and with the approving marks of the sugar trust upon it.

Did that occur as there described?

Senator HARRIS. Never. I have never heard of any representative of the sugar trust being in the Capitol upon the occasion of any meeting of the Finance Committee.

Senator LODGE. You have never seen any members of the sugar trust?

Senator HARRIS. I do not know that I have personally met a single man connected with the sugar trust. If I have ever met Mr. Havemeyer I was not aware of the fact that it was Mr. Havemeyer, and I may say frankly that no sugar-trust man, or no man in the interest of the sugar trust has ever approached me for one moment's conversation on the subject.

I will say further in that connection that at no time when the Democratic members of the Finance Committee have met for consultation have I been aware of the fact that there was anybody about the Capitol who was being consulted by the Democratic members of the committee or any one of them. Occasionally, upon such consultations, at the instance of myself or some other member of the committee, we have wanted an expert, the presence of an expert a few moments, to make certain calculations or to give certain information.

Mr. Durfee, who has been an employé of the Finance Committee ever since I have been in the Senate, has been frequently sent for upon occasions, and so soon as we got through with the work we required him to do he retired, and we went on with our discussion.

I will also say with regard to Mr. Carlisle, that I do not know of a single instance that Mr. Carlisle has come before the Democratic members of the committee when in consultation, except, perhaps, two occasions when he has been specially requested to come, because we wanted to confer with him as to what his opinion was as to the effect of a given

proposition, and to confer with him as to his views as to the policy of putting this proposition in this form or in that form.

I remember one occasion when I know he was invited by Senator Jones, and I knew that Senator Jones intended inviting him, because we were going to consult him. Whether it was Sunday or some other day of the week I do not know. I know we met for consultation on one Sunday, when I can not say, or even as to what month it was in; but there were then present Senator Voorhees, Senator McPherson, Senator Harris, Senator Jones, and Senator Vest. I call them in the order in which they are arranged at the committee table, and Mr. Carlisle came to the committee room at our request, and we propounded certain questions to him.

Senator DAVIS. Do you remember upon what subject?

Senator HARRIS. Upon the subject of the polariscopic or Dutch standard test as to sugar.

Senator DAVIS. I wish you would endeavor to recall what month that was in.

Senator HARRIS. I should say it was either late in April or early in May; that would be my impression, but my mind is less reliable as to dates than as to anything else. But there never was a word said by Mr. Carlisle to any member of the committee in my presence about the sugar trust or about campaign funds.

Senator DAVIS. Do you know anything as to the truth or falsity of these allegations about contributions by the sugar trust or any individual or individuals in its behalf to either of the political parties?

Senator HARRIS. I do not know that I ever heard of them until the publication of this paper.

Senator DAVIS. We are required by this resolution to investigate whether any Senator has been investing in sugar stocks pending this bill. I ask that question of you.

Senator HARRIS. I am glad you did. I have never invested a cent or any sum whatever in any such speculation. I never had the slightest shadow of interest in sugar stocks, and, I regret to say, or in any other stocks.

Now, I will add the question that was propounded to Mr. Carlisle as to those two methods of testing sugar, and as to specific or ad valorem duties, was simply one branch, when we consulted him perhaps about a dozen different things in the metal and other schedules of the bill.

Senator LODGE. The question being between specific and ad valorem duties?

Senator HARRIS. The question being between specific and ad valorem duties. At least that was one of the questions.

Senator DAVIS. I understand you to say that various features of the bill were under discussion, and that was one of them?

Senator HARRIS. The whole bill was before us and we were considering the various items of the bill, and I suppose we discussed items of half a dozen or more schedules.

Senator DAVIS. With the Secretary of the Treasury?

Senator HARRIS. With the Secretary of the Treasury, and he was sent for for the purpose of giving us his opinion as to the effect of putting this schedule in this form or in that.

Senator LODGE. Did he make any recommendation to you in regard to the sugar schedule or the mode of collecting sugar duties?

Senator HARRIS. Nothing beyond such questions as we propounded to the effect of this method or that method, or as to the best method in

his opinion of ascertaining the saccharine strength of sugar. The safest method for collection.

The CHAIRMAN. Administration?

Senator HARRIS. Administration.

Senator DAVIS. I suppose no stenographic notes of these meetings were taken?

Senator HARRIS. No, sir; it was simply a conference between members of the committee. I am sure we invited Mr. Carlisle there upon one occasion.

Senator ALLEN. Mr. Carlisle never took occasion to remind the Democratic members of the obligation upon the Democrats for the campaign fund contributed by the sugar trust, as this article indicates?

Senator HARRIS. Oh, no. He was simply before the committee when I have been present and responded to such questions as members of the committee asked him, and it was always upon the practical question——

Senator ALLEN. It was upon the general drift and policy of the bill and the different leading items.

Senator HARRIS. Precisely.

At 4:35 o'clock p. m. the committee adjourned until to-morrow, Friday, June 1, 1894, at 11 o'clock a. m.

WASHINGTON, D. C., *June 1, 1894.*

The committee met pursuant to adjournment.

Present: The chairman (Senator Gray) and Senators Lindsay, Lodge, Davis, and Allen.

SWORN STATEMENT OF JOHN DeWITT WARNER.

The CHAIRMAN. You are a member of the House of Representatives of the United States?

Mr. WARNER. I am.

The CHAIRMAN. From the State of New York?

Mr. WARNER. I am.

The CHAIRMAN. I will read from the New York Sun of May 28 a paragraph which is credited to the New York Herald, and is as follows:

> I have information which enables me to say in the most positive manner that, while the fight for free sugar was going on in the House that resulted in the trust being deprived of its protection, an attempt was made to call off John DeWitt Warner, the leader of the opposition to the trusts, and he was given to understand that certain men of great prominence in the Democratic party wished that the sugar schedule should contain some protection to the trust, owing to the aid given by the trust during the Presidential campaign.

What have you to say in regard to that attempt to call you off and the reason given for it?

Mr. WARNER. I should prefer you would put your question a little more definitely just now.

The CHAIRMAN. I have read the paragraph in your hearing. Is that statement correct?

Mr. WARNER. It is not, as referring to any particular incident which could be characterized to the extent assumed in the paragraph.

The CHAIRMAN. The paragraph states that an attempt was made to call you off in your opposition, and that you were given to understand

that certain men of great prominence in the Democratic party wished that the sugar schedule should contain some protection to the trust, owing to the aid given by the trust during the Presidential campaign. Is that true?

Mr. WARNER. It is not true, so far as I recall that in any case I was assured or informed that prominent members of the Democratic party wished the duty to remain on sugar for the reason that the sugar trust had contributed to the campaign.

The CHAIRMAN. What were the reasons given?

Mr. WARNER. So far as the matter was mentioned in connection with prominent members of the Democratic party the reasons given, so far as they were given, were that to strike out the duty on sugar would imperil the passage of any tariff bill.

The CHAIRMAN. Who urged those reasons?

Mr. WARNER. For the present I decline to state. I am willing to make an explanation later which perhaps may satisfy you.

Senator LODGE. Let me ask you a question. Were you urged to forego your opposition to duties on sugar because of planters in Louisiana?

Mr. WARNER. Yes; but I am not sure as to whether that was before or after the bill passed the House.

Senator LODGE. Were you urged to forego your opposition to duties on sugar on account of the refiners?

Mr. WARNER. I believe that no one has assumed in any conversation or any communication with me to represent or to speak for the refiners.

Senator LODGE. I mean for the refining interest. I said the refiners in opposition to the planters.

Mr. WARNER. I meant my opposition to be general.

Senator LODGE. The planting interest on one side, you understand, and the refining interest on the other, and I understand you to say that there was opposition to free sugar; but what I want to get at is whether that opposition came to you on behalf of the planting interest or on behalf of the refining interest, or both.

Mr. WARNER. The particular matter to which my attention was called related to the refining interest; but I did not understand that any communication or statement or suggestion made to me was made by those interests, or professedly, at least, in their behalf.

Senator DAVIS. Was it suggested that in case the duty was not put upon or retained upon sugar the refining interest would defeat the passage of the bill?

Mr. WARNER. That was practically the suggestion made, or the effect of sundry suggestions made.

Senator DAVIS. Will you state who made that suggestion, or those sundry suggestions?

Mr. WARNER. I will not, although I should be glad to explain the general circumstances.

Senator DAVIS. You decline to state at present?

Mr. WARNER. I decline to state at present.

The CHAIRMAN. Was it in the nature of a threat by the persons who communicated to you that they would, or was it an expression of fear that the result would be the defeat of the bill if protection was not given to the refining interests?

Mr. WARNER. In the main, the latter. To a large extent the suggestions came from those whom I believed to be as much interested in free sugar and free trade as I am.

The CHAIRMAN. Were they colleagues of yours in the House?

Mr. WARNER. They were; and that was the explanation which I was about to give.

Senator DAVIS. Were all these suggestions made by your colleagues?

Mr. WARNER. I have tried to think of that since I was summoned last evening, not knowing what the particular basis might be, and yet at the same time receiving nothing except it was in connection with that matter, and so far as I now recall there is but one case in which a suggestion was made, I mean anything direct that I could put my finger upon, by a gentleman not a member of the House at the time the bill was pending in the House.

Senator DAVIS. What suggestion did he make?

Mr. WARNER. I will explain. The gentleman approached me in a street car after everyone else had gotten out, and asked me if I did not recognize political obligations and so on, and if I would not pay attention to the opinion of certain people—if they were not people to whose opinion I would pay attention. I asked him whom he meant.

The CHAIRMAN. Was it a person whom you knew?

Mr. WARNER. It was not. It was a man whom I recognized I had seen. I asked him what he meant. He wanted to know if he could bring me proof that they had contributed at a critical moment, whether I would consider it.

Senator LINDSAY. Contributed to what?

Mr. WARNER. To Democratic success in New York.

Senator DAVIS. Did he mention the names of the people?

Mr. WARNER. He did not.

The CHAIRMAN. What reply did you make?

Mr. WARNER. I replied that I did not think I would. In fact, it was a little bit warmer than that.

The CHAIRMAN. State what you said.

Mr. WARNER. I told him he was too familiar on short acquaintance in making such an acquaintance as that. It is, perhaps, not fair, and yet I will state my impression at the time, which I found to be a mistaken one, that he was a man whom I had never before seen, and that he was attempting to get information for tips that were being sent over by some one all the time from here to New York in regard to influencing the stock market.

Senator DAVIS. Have you seen him since?

Mr. WARNER. I afterwards recalled that he was a man whom I have met and probably been introduced to.

Senator DAVIS. Do you know his name now?

Mr. WARNER. I do not.

Senator DAVIS. Do you know his business?

Mr. WARNER. I have nothing but a general impression as to his business, which is that he was a lobbyist, and that impression I only get from the connection in which I afterwards remembered I had been introduced to him.

The CHAIRMAN. Was he in office?

Mr. WARNER. He was not; no, sir. I would not say he is not an official, but my impression is that he is not. I do not know his name.

Senator ALLEN. Do you know his residence?

Mr. WARNER. I do not.

Senator ALLEN. Have you any recollection as to his name?

Mr. WARNER. I have not.

Senator ALLEN. I mean as to ascertaining his name?

Mr. WARNER. I have not.

Senator ALLEN. How long have you known him lying around the Capitol here?

Mr. WARNER. I have seen him once since. He did not force himself upon my attention at all. I should not have recalled him then except for the circumstance, and I had, I believe, seen him but once before.

Senator ALLEN. Could you give a description of the man?

Mr. WARNER. Nothing, except that he struck me as being very well dressed, a little excessively so; a man of medium height. At least, he did not attract me as being tall or short, and I took him for a man who was trying to get tips to sell. He did not have anything political or anything else to do. He was simply trying to find out in his way whether there was going to be a stiff fight on sugar, or whether it was to be all over.

Senator ALLEN. You said you think he was a lobbyist. What business did he represent?

Mr. WARNER. I have no idea at all.

Senator ALLEN. What was it he said to you about the sugar trust having contributed to the campaign fund in New York?

Mr. WARNER. He did not say they had. He wanted to know if they were not men, or if they were men—I do not now remember the exact words—as to whom I would be willing to consider their opinion or follow their judgment, something of that kind, in case I was convinced that they had materially contributed to Democratic success in New York, and I do not remember that he added anything more. I may have cut him off a little short.

Senator ALLEN. He was speaking then with reference to the sugar interest?

Mr. WARNER. He had prefaced that remark by saying that he supposed that the sugar fight was over with, or something of that kind.

Senator LODGE. The sugar fight in the House?

Mr. WARNER. Yes, sir; between the time that the Committee of the Whole took the action that it did and the time that the bill was finally voted in the House. Although that is a very strong impression, I would not be certain that it was not after it had passed the House. It did not make much impression upon me at the time and would not now except for what has happened since.

I took him as a man who was selling tips, who was getting tips, who wanted to be able to say so and so is not going ahead, or so and so is going ahead, and so on.

Senator LODGE. In this paragraph it says the attempt to call off John Warner, the leader of the opposition to the trust, and you have referred to representations made to you, sundry suggestions by your colleagues in the House and elsewhere in regard to that opposition, and that there was danger of the defeat of the bill—where? In the Senate?

Mr. WARNER. At the time I think it referred more particularly to the House?

Senator LODGE. Danger of defeating the bill in the House?

Mr. WARNER. Danger of defeating the bill in the House.

Senator LODGE. And this danger arose if the House placed sugar on the free list?

Mr. WARNER. Exactly.

Senator ALLEN. How would that endanger it in the House?

Mr. WARNER. I am perfectly willing to give my surmise, but at the same time it is only a surmise.

Senator ALLEN. In what respect?

Mr. WARNER. That there were a number of Representatives who would not vote for the bill if sugar were put on the free list, who might vote for the bill and probably would vote for the bill in case no such amendment was made.

Senator LINDSAY. I will ask you if the matter was presented in this way: that there were a number of members of Congress who believed that sugar was entitled either to be taxed as a revenue product, or to receive a bounty, and if it got neither those people would not vote for the bill?

Mr. WARNER. That was the character, or a part of the representations, to which I alluded.

Senator DAVIS. There was another part of representations concerning which I asked you a question a few moments ago in regard to the threat, impliedly or directly expressed, that the sugar trust would proceed to defeat this bill if that was not done.

Mr. WARNER. I think I was erroneous if I mentioned that the threat had been put in the shape that the sugar trust would kill the bill. I do not remember any such definite suggestion made.

Senator DAVIS. Was it represented definitely or indefinitely that they would attempt to kill the bill?

Mr. WARNER. There was little said about the sugar trust, so far as I know or can recall now, until the very day upon which the bill, or the day before the bill, passed the House. There then appeared—well, I could hardly say that. I was informed that parties were in town organizing a vote to defeat the amendments, it being the rule, as you are all aware, in the House, that any amendment to the bill, though ratified by the Committee of the Whole, passed by the Committee of the Whole, may be made subject to a separate vote in the House, and the general information, so general that it had not occurred to me before, and I do not know now that I could state definitely where it came from, was that the trust people were at work upon that particular matter.

Senator DAVIS. Sugar-trust people?

Mr. WARNER. Sugar-trust people. So far as I could recall, that is the first time that the sugar trust, as an agent working in Congress, was called definitely to my notice. I would not say but what sugar trust had been mentioned. I suppose it had been, but that was not the burden of the suggestions. At that time it was talked about that there were people in town——

Senator DAVIS. Were those statements made to you by your colleagues in the House?

Mr. WARNER. Exclusively so, I think, although about that I would not be sure, because they were not so much statements made to me as they were floating in the air. As I was interested in the matter, my ears were a little more open than other people's, and I may say that the last day, the day before the bill passed, was the day when perhaps the trust, as such, was more mentioned than any other day, and that in connection with the telegrams which were being showered upon the House from every quarter——

Senator DAVIS. Telegrams, to what effect?

Mr. WARNER. I speak now from information, as I did not receive any of those telegrams. But I saw a great many telegrams received by different members of the House. Some of them were receiving, I should say, 10, 15, or 20 telegrams a day. Others would hold up telegrams to me and say: "That is what you have gotten us into." I am informed that they received many of them at different hotels.

The CHAIRMAN. Were these all in relation to the sugar interest?

Mr. WARNER. They were received in the main, I think, from wholesale grocers.

Senator DAVIS. What was the effect of those telegrams?

Mr. WARNER. To kill the free-sugar amendment; and in that connection it was explained and discussed in the House as being merely an evidence of the closeness of relation between the sugar trust and all of these grocers who had waked up so suddenly.

Senator ALLEN. In the receipt of those various telegrams from wholesale grocers did you recognize any influence of the sugar trust?

Mr. WARNER. Yes, sir; but at the same time I do not want anybody to take that as evidence.

Senator LINDSAY. That is your impression?

Mr. WARNER. That is my impression.

The CHAIRMAN. Were there any telegrams affecting provisions in the bill?

Mr. WARNER. Not that I heard of; but at the same time I do not think I would be likely to have heard of them.

The CHAIRMAN. Did you receive applications from those who thought they were affected by other schedules in the bill?

Mr. WARNER. By other schedules? Oh, yes; I received plenty of letters and telegrams. What I referred to were the telegrams apparently running on the floor in a shower; these boys rushing around with them, one boy after another, saying, "I have another one, Mr. Warner," and so on. They brought some of them to me at first, and it got to be an old story.

The CHAIRMAN. Why did they show them to you particularly?

Mr. WARNER. Because they supposed I was interested in the free-sugar amendment, and because I had been around the day before hearing this rumor as to what had been going on to defeat the amendment. Perhaps I had been around a day or two before seeing whom we could count on in the House, and organizing in that way. It was not so much the result of any inquiry I made in regard to the telegrams as it was a voluntary matter of people bringing telegrams to me; but it was the natural friendly act of those who knew me to be interested, and whom I had been to see about organizing the tariff in the House.

Senator LODGE. Is this statement in the paper true that you made a special opposition to the trust?

Mr. WARNER. Yes, sir. I do not remember the statement in the paper.

Senator LODGE. It simply refers to you as leading the opposition to the trust.

Mr. WARNER. I think what it alludes to there is that I was the one who moved the amendment by which refined sugars were put upon the free list.

Senator LODGE. That amendment, of course, struck the trust?

Mr. WARNER. It did, I suppose.

Senator ALLEN. You speak about the sugar trust organizing opposition to certain amendments when this schedule was under discussion in the House.

Mr. WARNER. I was told that there were people organizing opposition.

Senator ALLEN. In this city?

Mr. WARNER. Yes, sir.

Senator ALLEN. Do you know the names of any of them?

Mr. WARNER. I do not remember that I heard but one name mentioned. I heard two names mentioned, one of them I forget, because I had occasion to remember that one day shortly afterward.

Senator ALLEN. Did you hear Mr. Searles's name mentioned?

Mr. WARNER. I am not sure that I did at that time.

Senator ALLEN. You recognize the name, however, now?

Mr. WARNER. Oh, I have known Mr. Searles a good many years.

Senator DAVIS. What name did you hear mentioned?

Mr. WARNER. The one I heard mentioned was that of Mr. White, the late Representative from Brooklyn. He said nothing to me nor I to him.

Senator ALLEN. Is that S. B. White?

Mr. WARNER. S. B. White; and I may say he was not as active as another gentleman I saw and whose name was given me at the time, and as to whom I tried afterward to find out his name, and I should like very much to know it now.

Senator LODGE. What was his name?

Mr. WARNER. I do not know.

Senator LODGE. You do not recall the name?

Mr. WARNER. No, sir. I was told at the time, why, here is "Deacon White and so and so." I did not know who Deacon White was at the time, but it seems to me the other man was putting in his work, whatever he was doing—I do not know what he was doing—a great deal more carefully and systematically, and afterwards I wanted very much to find out who the other man was.

Senator LODGE. Did you see the other man?

Mr. WARNER. I had him pointed out as a man who was taking Congressmen from the lobby where the reporters—where the elevator runs up to the press gallery. I was in a hurry, and it never occurred to me to know him then, and I could not describe his appearance, although if the man would suddenly appear before me I would recollect at least that I had seen him.

Senator LODGE. Was the man supposed to be interested in sugar?

Mr. WARNER. I do not know that this statement was made.

Senator LODGE. Did you hear his name at the time?

Mr. WARNER. The statement was made as to the extent of the work that the sugar trust was putting in. The sugar trust was mentioned on that day.

Senator LODGE. Did you hear this man's name mentioned at the time?

Mr. WARNER. Yes, sir.

Senator LODGE. Would you recognize it if you should hear it?

Mr. WARNER. I think I should.

Senator LODGE. Was it Mr. Searles?

Mr. WARNER. It was not that of Mr. Searles.

Senator LODGE. Was it Henry R. Reed?

Mr. WARNER. Reed of Boston, you refer to?

Senator LODGE. Yes.

Mr. WARNER. No, sir.

Senator ALLEN. Was it Mr. Havemeyer?

Mr. WARNER. No, sir.

Senator ALLEN. Or Joseph Rickey?

Mr. WARNER. No, sir; I do not know Joseph Rickey. If the name had been immediately connected I might have given it as Mr. Rickey, because I have heard it frequently.

The CHAIRMAN. These statements, which you say were made to you in the House by your colleagues in regard to the sugar schedule, were statements which were urged upon you not to put a tax or a duty on refined sugar which would or might result in the defeat of the bill?

Mr. WARNER. Some of those statements were such.

The CHAIRMAN. What was the nature of them?

Mr. WARNER. The nature of the statements was practically of two kinds, one that certain prominent Democrats were interested, and that they were those whose judgment I would presumably follow; that they believed that the trust—not the trust, but the refiners—I do not know that at that time the trust was much spoken of—the refiners ought to have a pretty good duty. A great many of the statements practically stopped at that. A few of them went further and gave as a reason that the bill would be defeated. I do not recall any particular case, although there may have been cases where both those statements were combined, and if I may be permitted to make an explanation it will, perhaps, cover all the circumstances, which were these: The free-sugar amendment had been moved and carried—or left in a mess in the House, rather—in the House one afternoon. A parliamentary tangle had arisen. The House was in session that evening. I was in great anxiety that that parliamentary tangle should be settled in the way that I wanted it. I therefore took occasion to see on the floor of the House as many as possible of the members before I left in the afternoon. I saw all I could during the evening. I came over here during the evening session and saw all I could, and the next morning I came over here before the session and saw every one I could, and it was not a case of my asking them, or of them coming voluntarily to me and speaking about these particular matters. But the matters were brought up in a friendly way in connection with the effort I was making in attempting to get them to help me to keep sugar on the free list, and these matters were mentioned at that time during that day, and the next day, more as a consideration for me to take into account later when the matter was to come up for consideration in the House. The only difference that I now recall between the character of the statements and suggestions was that they were more voluntary on the part of those who made them, and less induced or justified by any seeking on my part of them, or assistance from anybody.

The CHAIRMAN. In these communications to you of which you have spoken, by your colleagues, were there any that were characterized by any impropriety?

Mr. WARNER. None that of themselves were improper; none which would suggest themselves to me except the mere fact that while in the earlier talk, the two days I have mentioned, nearly all of these were practically brought on by myself, and to a very large extent with those whom I considered my friends and friends of the amendment on free sugar.

The CHAIRMAN. Then your reason for not giving names is not founded upon any impropriety in communications that were made to you?

Mr. WARNER. Not in any one case. But I will add in the later period, while there was no one case which I would be justified as regarding as improper, they were in a very large measure, a very much larger measure than before, the result of voluntary suggestions to me of facts and arguments on the part of those who had not been accustomed to consult with me to any particular extent and whose confidence to that extent I had not invited. I do not believe there was a case which I can recall where there was a suggestion which in itself could be improper.

Senator DAVIS. You were very active in your advocacy of free sugar?

Mr. WARNER. Yes, sir.

Senator DAVIS. In the course of the consideration of that bill in the

House, how many times, as nearly as you can remember, whether many or few, was it intimated to you that persons interested in the sugar interest had contributed to the success of the Democratic party in New York?

Mr. WARNER. A great many times, although it was in the shape largely of an assumption rather than an intimation, or of even pretended information.

Senator DAVIS. That was stated as a fact, was it not?

Mr. WARNER. It was more frequently assumed. I do not recall that in a single case it was stated to me as a fact in the way of information.

Senator DAVIS. Was that assumption addressed to you as a reason or a persuasion why you should withdraw or qualify your advocacy of free sugar?

Mr. WARNER. It was not put in that shape, with possibly one or two exceptions——

Senator DAVIS. Was it put in that connection as an appeal to you to cease or qualify your advocacy of free sugar?

Mr. WARNER. Not except in this way: That the relations which might be indicated by such contributions and their acceptance were suggestions that I could not hope to succeed, and would only make trouble for myself and my friends by going ahead.

Senator DAVIS. That it was intimated to you that your political future depended somewhat upon your caution in that respect, or your success in that measure?

Mr. WARNER. My success in that measure.

Senator DAVIS. When these representations or assumptions were made to you, it was in connection with an attempt to persuade you from the position you had theretofore occupied?

Mr. WARNER. Hardly so. Sometimes it could possibly be called an attempt—more frequently in a friendly way to give me the size of the job I had gotten hold of.

Senator DAVIS. It was made to you by gentlemen who were opposed to you in your views respecting the taxation of sugar?

Mr. WARNER. To some extent, but not by any means entirely.

Senator DAVIS. Did any of these gentlemen state when those contributions were made in New York?

Mr. WARNER. I do not think there was anything definite about it.

Senator DAVIS. In what campaign did you understand they were made?

Mr. WARNER. If you ask me now I would say in the campaign of 1892. But I do not recall anything in those conversations which would lead me to that result.

Senator DAVIS. The Presidential campaign of 1892?

Mr. WARNER. Well, the campaign of 1892. So far as I have an impression it was not that it was a special Presidential matter or national committee matter—what, I do not know, but I gathered a good deal about it.

Senator DAVIS. Did any of these gentlemen say to whom those contributions had been made?

Mr. WARNER. I think not.

Senator DAVIS. To a committee, person, or what?

Mr. WARNER. I think not.

Senator DAVIS. Was the amount stated or assumed?

Mr. WARNER. In one case I think the question was asked me whether they had given $300,000 or not, or whether I knew anything about it.

Senator DAVIS. What was your reply?

Mr. WARNER. My reply was that I did not know anything about it; that I presumed they had given to both sides.

Senator DAVIS. Was this statement made to you by a colleague in the House?

Mr. WARNER. Yes, sir; it was not a statement.

Senator DAVIS. An assumption or impression?

Mr. WARNER. Yes, sir.

Senator DAVIS. Are you willing to give his name?

Mr. WARNER. I am not.

Senator DAVIS. You decline to do so?

Mr. WARNER. Yes, sir; I do, for the simple reason that there is no end of going into conversations between members of the House if it is once commenced.

The CHAIRMAN. We are here charged with the duty of inquiring in a certain way how Senators are affected by this matter.

Senator LINDSAY. I have been thinking all the while that we have been investigating the House rather than the Senate.

Senator ALLEN. Was this communication to which you refer now by some member of the House communicated to you during the session of the House, or was it at some other time?

Mr. WARNER. In the main they were during the sittings of the House.

Senator ALLEN. This particular communication that you just referred to, where some member of Congress told you that the sugar interests had contributed to the campaign fund of 1892?

Mr. WARNER. I do not think that he told me that. You refer to this communication last mentioned. I was asked if the particular sum had been mentioned at all.

The CHAIRMAN. Did you state, or do you mean to say, that this gentleman of whom you speak, this member of the House, told you that a particular sum of $300,000 had been contributed, or did he ask you?

Mr. WARNER. No, sir; he simply asked me whether I knew it, or if I had been told. I am perfectly free to state to everyone here the impression I got was not that he was giving me information, or not that he was urging anything, but he was simply putting me on my guard as to matters that might be raised.

Senator DAVIS. Was he in favor of a duty on sugar?

Mr. WARNER. No, sir; I think not.

Senator ALLEN. Was this something that occurred in the session of the House or during a session of the committee?

Mr. WARNER. My impression is that it was. But you know in the House, unless something is very important, we are apt to stroll around and sit in the lobby, and it is pretty hard to distinguish before and after sessions.

Senator ALLEN. If this was idle conversation during the session of the House, and no part or parcel of the public proceedings, nor any part of the official proceedings of the committee, do you claim that that conversation to you was privileged?

Mr. WARNER. I make no claim whatever as a member of the House to my privilege even from attending the sessions of this committee. But as an honorable gentleman, and a member of the House, I should not, except upon such extraordinary occasions as might justify extraordinary conduct upon my part, for one moment assume the right of anyone to interrogate a member of the House as to conversations which we all have at all times about public business in the House. It would

be absolutely destructive of the confidence which members ought to have in each other in the free interchange of debate.

Senator ALLEN. I do not want to discuss that question at all; I want to make this suggestion to you, that anything that does not occur in the nature of an official communication, which is no part or parcel of the proceedings of the House—the official proceedings—and is not part or parcel of the proceedings of your committee, are not privileged to you, and you are not any more privileged to retain those conversations than any other private citizen.

Mr. WARNER. I do not mean for one moment to discuss the subject with the Senator. I meant to state, and I will try to do it in a very brief way, that what is confidential is confidential irrespective of privilege, and will be so regarded by me.

Senator ALLEN. Do you now decline to give this man's name?

Mr. WARNER. I most certainly do.

Senator ALLEN. On what ground?

Mr. WARNER. On the ground, among others, that I claim my privilege absolutely against any interrogation by this committee; on the ground, in addition, that the friendly conversations between members of the House upon the basis of assumed mutual confidence is something which can not be gone into, and that the practice in that regard has made a precedent which it is to the public interest to keep inviolate.

Senator DAVIS. Of course, these communications were not given to you with an intent to communicate to anybody else?

Mr. WARNER. Not at all.

Senator DAVIS. There is a distinction between such communications and those addressed to newspaper correspondents?

Mr. WARNER. Yes, sir; entirely.

Senator DAVIS. You take that position?

Mr. WARNER. I have nothing to do with newspaper correspondents.

Senator ALLEN. In view of the fact that this statement of this member of Congress to you that you speak of was more in the nature of an inquiry upon his part than a statement of fact, why do you secrete his name?

Mr. WARNER. I have secreted nothing. I have simply declined to go further in that particular matter in the direction you suggest.

Senator ALLEN. In view of the fact that his remark to you was in the nature of a query for information, and he did not purport to have any knowledge of the matter himself, but simply inquiring what you knew about it, why should you refuse to divulge his name?

Mr. WARNER. I do not consider myself called upon to give my motive after I have given the reasons; but I will call the Senator's attention to the fact that I have already explained that I did not consider the question as a query seeking information, or as a direct statement giving information, but rather as a friendly suggestion to myself as to something which, whether existing or not, it was well for me to keep in mind and look out for.

Senator ALLEN. Now, the failure to give his name under these circumstances, I think, would authorize the deduction that he was possessed of some information which the committee ought to have.

Mr. WARNER. I do not think he was.

The CHAIRMAN. Did he profess to have any information?

Mr. WARNER. He did not.

Senator ALLEN. This article, published in the New York Sun, of May 28, to which your attention has been called, purports to be the

result of the work of a correspondent of that paper; do you know who the Washington correspondent of that paper is?

Mr. WARNER. I know who are the correspondents of the Sun and of the Herald.

Senator ALLEN. Do you know the particular author of this article?

Mr. WARNER. Not, except by inference.

Senator ALLEN. You may state, if you know, any facts in connection herewith.

Mr. WARNER. No; I shall certainly not state. There is no particular reason why I should state. I simply do not know, as I say, except by inference.

Senator ALLEN. Was any information such as contained in this article given out by you to any correspondent?

Mr. WARNER. No, except in this way. A correspondent or several correspondents have from time to time asked me, as I presume they have asked other members, as to matters of this kind, what was going on in the House ever since the sugar matter arose in the House. I was a little surprised at the publication of that, but upon reflection I recall that a correspondent had asked me a question not quite like that, but something like that, and wanted to know if he could publish it. I said no; I did not care about being interviewed upon the matter.

I was about to say he called my attention to it. He rather did not. He may have thought that was a fair inference or something of the kind from other things I had told him. I used some conversation like this: "You will have to be responsible for anything you state. I do not care to be interviewed upon that subject;" and, upon recalling that, which made no impression upon me at the time, it did not seem to me quite so much of a surprise or breach of courtesy as it otherwise might have.

Senator ALLEN. This correspondent says:

> I have information which enables me to say in the most positive manner that while the fight for free sugar was going on in the House that resulted in the trust being deprived of its protection, an attempt was made to call off John DeWitt Warner, the leader of the opposition to the trusts, and he was given to understand that certain men of great prominence in the Democratic party wished that the sugar schedule should contain some protection to the trust, owing to the aid given by the trust during the Presidential campaign.

Now, I will ask you if any attempt was made during the consideration of that sugar schedule to "call you off," to use the language of this article?

Mr. WARNER. I have already explained that there was no incident to which that statement as a whole could truthfully apply.

Senator ALLEN. This article was not by authority?

Mr. WARNER. It was not.

Senator ALLEN. It is a deduction of some correspondent or some other person?

Mr. WARNER. Exactly. I do not know where he got his information. To a certain extent he may have inferred it from what he heard me say before, or he may have heard it from members of the House with whom I talked in confidence.

Senator ALLEN. Were you given to understand that any men of prominence in the Democratic party wished that the sugar schedule should contain some protection to the trust?

Mr. WARNER. I do not think the trust was mentioned in that connection. I believe that I have already stated, and it is the fact, that some of the suggestions, inquiries, and intimations did intimate or raise a query, and I do not know that either would be too strong, that

prominent men in the Democratic party did wish the duty left, and were startled and annoyed at the course I was taking.

Senator ALLEN. Was the reason assigned for that that the sugar trust had contributed money during the Presidential campaign to the Democratic party?

Mr. WARNER. I do not recall that the two things were put directly together.

Senator ALLEN. Who were these prominent men, as you now recall them?

Mr. WARNER. I decline to state, and I wish to add one thing to my previous answer: If the cases that I now recall, and I think they cover all the important ones, I say it broadly, that I did not believe it, and that those gentlemen knew perfectly well how to reach me and knew that I would have every consideration for them, and until they did suggest something I should not believe it, and in the more prominent cases, indeed, I think I can say in all of them, except some of them may have been so casual that they passed off, without that I was assured by the party that he did not know any such thing, but that he heard so and inferred so and thought it was proper to tell me so.

Senator ALLEN. Who were the great men, the certain men of great prominence in the Democratic party who wished that the sugar schedule should contain some protection to the trust?

Mr. WARNER. I do not know of anyone.

Senator ALLEN. Whose name was suggested to you?

Mr. WARNER. I decline to state.

Senator ALLEN. And for what reason?

Mr. WARNER. There was no case in which my informant professed to know any such thing. In every case in which the question was raised my informant said he did not know it and did not care to drag into this matter the name of any man, prominent or otherwise, under such conditions.

Senator ALLEN. Did your informant give you names?

Mr. WARNER. Names were mentioned.

Senator ALLEN. More than one name?

Mr. WARNER. Yes.

Senator ALLEN. And how many names were given to you?

Mr. WARNER. I decline to state.

Senator LODGE. Were the names of Senators among these?

Mr. WARNER. Not at that time.

Senator LODGE. At any time?

Mr. WARNER. Senator Lodge, if I should state no, it would be an evasion. If I should state yes, I should have to depend just as I have in the description I have given you of this other matter, upon what were inferences from friendly conversations.

The CHAIRMAN. Was there anything in these communications in the line about which Senator Allen was asking, and about which you have just been speaking, in which the names of prominent Democratic officials were mentioned, that purported to be direct information that they wished the sugar schedule should contain some protection to the trust?

Mr. WARNER. It was disavowed every time.

The CHAIRMAN. That they wished sugar to be protected on account of contributions from the sugar interest to the Democratic party?

Mr. WARNER. No, sir.

The CHAIRMAN. Did any of those persons who so talked with you and mentioned those names profess to have any such information?

Mr. WARNER. No, sir. In fact, they disavowed it pretty promptly

in every case where I recall the conversation was important enough for me to stop, and, as you may say, argue or dispute the question.

The CHAIRMAN. Was it anything more than the reports that have been going around the Capitol and through the columns of the press in the last two months in that regard?

Mr. WARNER. I should put it at a little more than that. I do not mean to say there was not anything more told than in the reports. What I mean to say is, I still think a member would have seriously reminded me of reports which were occurring in regard to matters as to which my own interest would take knowledge.

The CHAIRMAN. Did they profess to have any more knowledge for their statement than was back of their reports?

Mr. WARNER. Very promptly upon my stating that I did not believe it, I think they said in each case that they did not know it, and did not assume to have any authority.

Senator ALLEN. Are these men that were mentioned to you, whose names you refuse to disclose, officers of this Government?

Mr. WARNER. I decline to answer. I do not propose to tell men by process of inclusion any more than I do by exclusion.

Senator ALLEN. Where do they reside?

Mr. WARNER. I decline to answer that.

Senator ALLEN. This correspondent says, "I saw Mr. Warner at the Capitol to-day, but he declined to be interviewed at this time." That is, the 26th of the present month. Do those words enable you to identify the press correspondent? Do you recall having an interview with some reporter on that day at the Capitol?

Mr. WARNER. I do not mean to mislead the Senator. That is not a Sun report.

Senator ALLEN. It is a New York Herald report.

Mr. WARNER. Independently it would not occur to me that I could recall; but there are very few days in which, for one reason or another, I am not likely to see at least two representatives and sometimes more of the Herald. As regards certain matters, they are apt to ask what this schedule means, or whether such a figure is right, in regard to certain tariff matters. I have already stated that I do not pretend to disavow my impression in regard to that particular matter, and I do not wish my present answer to be considered as a modification of what I have stated at all. But as to whether I recall an interview, that especial interview with the Herald reporter on that day, I will say that it would be impossible for me to do so for the reason I have given.

Senator ALLEN. You realize, of course, that if you will give us the name of this member of Congress who communicated these facts, or these statements to you, that it might enable us to make this inquiry effectual and ascertain from him what he knows about the facts?

Mr. WARNER. I do not realize any such thing.

Senator ALLEN. You do not realize any such thing?

Mr. WARNER. No, sir.

Senator ALLEN. You do not realize that that is possible?

Mr. WARNER. No, sir.

The CHAIRMAN. Why not?

Mr. WARNER. The impression left upon my mind was that the gentleman knew no more about the matter than I did. He certainly gave me such an impression.

Senator ALLEN. If that be true, do you not think it would be advisable to give his name, so that we can ascertain from him what, as a matter of fact, he does know?

Mr. WARNER. I do not.

Senator ALLEN. And you decline to disclose his name, notwithstanding that fact might result in a failure to get proper evidence as to the use of money in the campaign?

Mr. WARNER. Notwithstanding the Senator professes to have such an impression, I have no such impression.

Senator ALLEN. Notwithstanding the disclosure of his name and his examination might lead us to some pertinent facts in this inquiry?

Mr. WARNER. I do not believe it would.

Senator ALLEN. I do not ask you whether you believe it would or not; but you decline to give his name, notwithstanding, possibly, by disclosing his name an examination of him by this committee might lead to the discovery of some facts pertinent to this inquiry?

Mr. WARNER. I think I now understand your question. If I believed that anything I could do or say would lead to this committee finding out the facts about the matters about which it is investigating, I would do anything short of perjury or murder to do it.

Senator ALLEN. What is there, then, in the nature of the communication he made to you that would induce you to say here that you will not give his name?

Mr. WARNER. I will state the reason I have in my mind. There may be others, in addition to my reason—the question of my own rights in the matter. If a Congressman is understood to consult with his fellows in a friendly way about matters of legislation and to receive friendly suggestions under the condition that whenever anybody wants to inquire in regard to anything which anybody else would think he would like to look into, and in that way that he shall attempt to recall and reveal everything that has thus been talked about, and the authors and every one who has said this, that, or the other thing would almost be certain of getting everything mixed up and bringing in the wrong man in a matter where no particular attempt is made to know matters, it would absolutely destroy all of that mutual confidence which is necessary for us in the orderly conduct of our business.

Senator ALLEN. Suppose this man had said to you that he knew as a matter of fact that money had been put into the campaign fund?

Mr. WARNER. If he had told me that I should have asked him about it.

Senator ALLEN. Or if he knew facts that would lead to the discovery of the truth with reference to that matter, would you regard such a communication from him to you as privileged?

Mr. WARNER. No, sir.

Senator ALLEN. You know this man, John E. Searles, do you?

Mr. WARNER. I have not seen him for about ten years.

Senator ALLEN. You know who he is and what he is?

Mr. WARNER. I did know a John E. Searles, who I think was the manager of the Havemeyer Refining Company in Wall street, New York City, back in 1885, when I had occasion to see a good deal of him.

Senator ALLEN. Have you seen that man here this winter?

Mr. WARNER. I have not.

Senator ALLEN. Do you know of his being here?

Mr. WARNER. In the sense of personal knowledge, I do not.

Senator ALLEN. You have heard from others?

Mr. WARNER. Yes, sir; I have heard say.

Senator ALLEN. Do you know what his particular business is?

Mr. WARNER. I have always understood that he was the treasurer and secretary of the American Sugar Refining Company.

Senator ALLEN. Is it not true that his business is to attend sessions of Congress and look after legislative interests?

Mr. WARNER. Not except what I have generally seen in the papers and perhaps one statement in the New York papers.

Senator LINDSAY. Do you know Thomas Dolan, of Philadelphia?

Mr. WARNER. I know him by sight. If I should see him I should know him.

Senator LINDSAY. Is he the president of the Manufacturers' Club?

Mr. WARNER. I presume he is the president of the Manufacturers' Club.

Senator LINDSAY. More or less of the manufacturers in the United States are interested in pending tariff legislation?

Mr. WARNER. I presume so.

Senator LINDSAY. How often have you seen Thomas Dolan this winter?

Mr. WARNER. I have not seen him at all.

Senator LINDSAY. Have you heard of his being here?

Mr. WARNER. Not of my own information. I think I have heard people speak of Tom Dolan being down here.

Senator LINDSAY. In the same way you have heard that Mr. Searles was here?

Mr. WARNER. Yes, sir; I think at a dinner I heard somebody say Tom Dolan was here.

Senator LINDSAY. Did Tom Dolan give the dinner?

Mr. WARNER. I do not know. It was simply a social matter.

Senator LINDSAY. So far as you know have not people interested in tariff matters been around the Capitol every week this winter?

Mr. WARNER. I had a levee myself several weeks ago.

Senator LINDSAY. And may not these gentlemen be here for perfectly legitimate purposes?

Mr. WARNER. No doubt they are.

Senator ALLEN. Did you understand that this money which was contributed, if contributed at all, for campaign purposes, was contributed before the Presidential nomination or afterwards?

Mr. WARNER. It never occurred to me to think of it except as contributed afterwards. I think I can say that I never heard any suggestion of that kind.

Senator ALLEN. Did you ever hear of $10,000 given by the sugar trust to what was known as the anti-snapper movement in New York.

Mr. WARNER. I think there is something mentioned of that in the press reports, but that is all the authority I have for that.

Senator ALLEN. You have nothing to lead you to believe it was true or false?

Mr. WARNER. I know it to be false because I was interested in that movement myself, and had occasion to know from time to time numerous contributions, and I assure you that anything over $5,000 was noised around, but I never heard of any contribution anything like the size of $10,000.

Senator ALLEN. Was it ever suggested or intimated to you in any form that your course with reference to the sugar schedule might arouse the enmity of the sugar trust?

Mr. WARNER. Not except from personal friends and acquaintances, and so on, and that in a casual sort of a way, generally speaking.

Senator ALLEN. Were they persons who were familiar, or would be likely to be familiar with the methods of the sugar trust?

Mr. WARNER. Not particularly.

(At 12 o'clock m. the committee adjourned until Monday morning, June 4, 1894, at 10 o'clock a. m.)

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53D CONGRESS, 2d Session. } SENATE. { REPORT 457, Part 3.

IN THE SENATE OF THE UNITED STATES.

JUNE 6, 1894.—Ordered to be printed.

Mr. GRAY, from the Special Committee to Investigate Attempts at Bribery, submitted the following

REPORT.

WASHINGTON, D. C., *June 5, 1894.*

The committee met pursuant to adjournment.

Present: The chairman (Senator Gray), Senators Lindsay, Davis, Lodge, and Allen.

SWORN TESTIMONY OF WALTER GASTON.

The CHAIRMAN. What is your age?

Mr. GASTON. I am 44 years just past.

The CHAIRMAN. Where is your residence?

Mr. GASTON. Wilkesbarre, Pa.

The CHAIRMAN. What is your occupation?

Mr. GASTON. I am the general manager of the Hazard Manufacturing Company, and wire-rope manufacturer, not wire manufacturer, as stated in the newspaper.

The CHAIRMAN. In a letter published in the New York Mail and Express of date May 19, 1894, written by a certain John S. Shriver, there is the following:

Just here it may be well to give a little incident in the proceedings of the last few weeks in which the sugar trust has taken such a prominent part. The headquarters of the officials of the trust have been in a certain room of the Arlington Hotel. The night the celebrated demand was made on the Democratic Senators that the trust must be cared for or the Wilson bill would be killed there happened to be in the next room to the sugar-trust parlor a wire manufacturer from a place not far from New York. He had come to Washington to try to induce the Senate Finance Committee to change its schedule in which he was interested, and worn out with his vain attempts to secure an audience with the Democratic "triumvirate" in charge of the bill, he had retired to his room.

He had hardly sought his bed before the loud talking in the sugar-trust parlor attracted his attention. He tried to sleep, but slumber was impossible. The voices next door grew louder and more violent as the night proceeded. He distinctly distinguished the voices of several Democratic Senators whom he knew, and also those of the sugar-trust magnates. It was nearly morning when the conference broke up, and the wire manufacturer was at last allowed to fall asleep. He did not, however, remain in bed long after the sun was up, because what he had heard seemed to him too good news.

Bright and early he was down in the lobby of the hotel and telling his friends, among them a couple of Congressmen, that he knew the Wilson bill would never pass. He made no secret of how he got his information, and even told the names of the Senators who had been in the room next to him nearly all night. The wire manufacturer did not linger about Washington, but returned to his home fully satisfied that there was no use for his remaining any longer to see the Democratic Finance Committee.

Do you know whether you are the person referred to in that letter as a certain wire manufacturer?

Mr. GASTON. I am the man who occupied the room from the 6th to the 9th of March of that year, and also from the 8th to the 10th of May.

The CHAIRMAN. At the Arlington Hotel?

Mr. GASTON. At the Arlington Hotel; yes, sir.

The CHAIRMAN. When you occupied that room on either occasion, did anything like that occur?

Mr. GASTON. Let me make a statement first, and then ask me questions.

The CHAIRMAN. If you please.

Mr. GASTON. With the exception of the fact that I was in the room, that I overheard a conversation on sugar, that I told a Congressman next morning from what I heard that I did not believe the Wilson bill would pass, nor any other tariff, unless a better bill, it is absolutely manufactured out of whole cloth—absolutely false from beginning to end?

The CHAIRMAN. With those exceptions, this paragraph is entirely false from beginning to end?

Mr. GASTON. It is entirely and absolutely false from beginning to end In telling this Congressman—we had confidential relations together for some time—I told him this in pure confidence, without giving him details. I told him that no Senators had been in the room. I mentioned nobody. I simply told him that from a sugar conversation the night before in an adjoining room, I did not believe the Wilson bill would pass, nor any tariff bill unless a much more favorable bill for the various industries of the country were framed. That I will admit.

The CHAIRMAN. When was it that you were in this room and overheard the conversation you have just alluded to?

Mr. GASTON. I came to Washington the night of the 6th of March. I was engaged in our own tariff matters in which I was interested, and some other schedules.

The CHAIRMAN. What schedule was that?

Mr. GASTON. My schedule is what is known as the wire schedule in the metal schedule. I was interested in some others, but indirectly. I had been spending most of my time in Washington since November last. I was up all that night of the 6th and worked hard the following day. I went into my room at 8 o'clock in the evening and wanted to sleep. The hotel was crowded at the time and I believe they gave me a room that had been occupied by Miss Terrill.

The CHAIRMAN. You mean Mr. Terrill?

Mr. GASTON. No, sir; Miss Terrill, a daughter of Mr. Terrill. Mr. Terrill was known as a member of the sugar trust, and had a suite of apartments, rooms 33, 34, and 35. As I say, I was so tired that I went to bed without striking a light, and fell asleep. I was awakened about 10 o'clock by a loud conversation in the next room. I was mad. I was about to ring the bell in order to have my room changed, when I heard sugar mentioned. I have known enough about tariff matters to believe that a sugar schedule was the basis of the defeat of the Wilson bill, or else the obtaining of a better bill. I knew the sugar interests. I knew the interests of Louisiana. I have friends connected with the sugar interests, planters, and I knew what could be done with Senator Hill, Senator Murphy, etc., in opposition to the income tax. I heard a general conversation on sugar, a running conversation. I learned that the sugar men were not satisfied with——

Senator DAVIS. Would it not be better to give the language as nearly as you can?

Mr. GASTON. I can not do that. In substance it was simply a general conversation in which I learned that the sugar men were dissatisfied with what the subcommittee had done, and understood that they did not accept this schedule——

Senator DAVIS. Were they expressing that dissatisfaction to anybody there?

Mr. GASTON. No, sir; between themselves absolutely. That being the case, knowing what I did, and not thinking, being a Democrat myself, that the Democrats would concede to the sugar men what they wanted, I felt perfectly satisfied from inference that the bill would have to be greatly changed before it would pass, and from the conversation which I overheard it seemed perfectly plain to me that that would be the case.

The CHAIRMAN. You have stated the impression you gathered from the conversation you heard. State as nearly as you can what that conversation was, what was said.

Mr. GASTON. Now, if I remember rightly, I think the conversation was that the subcommittee had offered 40 and an eighth. You know what that means—40 per cent ad valorem and an eighth.

The CHAIRMAN. An eighth differential?

Mr. GASTON. Yes, sir; an eighth differential, which they said was unsatisfactory, and had not been accepted, and would be unsatisfactory. That is simply the substance of what I heard.

Senator LODGE. Unsatisfactory to whom?

Mr. GASTON. I presume to themselves. They did not say.

Senator LODGE. Unsatisfactory to these parties in the room?

Mr. GASTON. Unsatisfactory to the parties in the room, whoever were talking.

The CHAIRMAN. Do you know who those parties were?

Mr. GASTON. I do not.

The CHAIRMAN. Did you recognize the voices of any of them?

Mr. GASTON. None.

The CHAIRMAN. How did you come to get the impression that they were men interested in the sugar industry?

Mr. GASTON. From the general course of conversation, from the knowledge that they displayed apparently of the business, from names that I heard mentioned, not addressed, but people spoken of, I understood clearly it was evidently a consultation of people interested in sugar.

Senator DAVIS. Let me ask you whether at that time you understood that that was one of Mr. Terrill's suite of rooms?

Mr. GASTON. Yes, sir.

Senator DAVIS. Was that one of the facts which you wish to add?

Mr. GASTON. Why I know it was?

Senator DAVIS. Yes.

Mr. GASTON. Yes; certainly. That corroborated the thing from the fact that it was in his rooms or one of his apartments there.

The CHAIRMAN. Is there anything else that you can remember of that conversation more specifically than you have stated?

Mr. GASTON. No, sir; it was just a running conversation.

The CHAIRMAN. How long did that conversation last, do you suppose?

Mr. GASTON. I looked at my watch when I was awakened, and it was about 10 o'clock. I suppose I must have been awake about an

hour. It was a great effort to stay awake, because I was so very tired. I suppose I may have been awake some three-quarters of an hour. Let me say right here that I would not have listened to that conversation under ordinary circumstances, but my own individual interests were at stake. I was interested in tariff matters, and I felt that I was justified in learning what I could as a guide for the future. Now, if I had kept those things to myself, anything I may have heard in that conversation, I could have injured no one, while discussing them in public would of course have put me in an unpleasant position.

The CHAIRMAN. Did you get out of bed?

Mr. GASTON. No, sir; the newspapers said I got up and peeked through the keyhole.

Senator DAVIS. You did nothing of the kind?

Mr. GASTON. No, sir; I went to bed and went to sleep.

Senator DAVIS. Was that conversation audible?

Mr. GASTON. Very distinctly. There was a door opening into the room.

The CHAIRMAN. What kind of a door?

Mr. GASTON. A solid door, but it was so shrunken there was a rim of light around the door.

The CHAIRMAN. Your room was dark, was it not?

Mr. GASTON. Yes, sir.

Senator DAVIS. Was the transom open?

Mr. GASTON. No, sir.

The CHAIRMAN. Was it a folding door?

Mr. GASTON. No, sir; simply a single door.

The CHAIRMAN. And you say you recognized none of the voices?

Mr. GASTON. No, sir; I recognized none of the voices.

The CHAIRMAN. From the fact that you occupied a room that had been one of Mr. Terrill's suite and occupied by his daughter, and from the fact that they were discussing sugar from a standpoint that showed familiarity with it, you felt certain that they were men interested in the sugar schedule?

Mr. GASTON. Yes, sir.

Senator DAVIS. This statement that you recognized the voice of any Senator there is not true?

Mr. GASTON. It is false, absolutely.

Senator DAVIS. Did you on that occasion hear anybody addressed as a Senator?

Mr. GASTON. I do not think I did. I heard half the Senate spoken about in there.

Senator DAVIS. Did you hear anybody addressed as Senator so and so being there present taking part in that conversation?

Mr. GASTON. No, sir.

Senator DAVIS. Are you positive about that?

Mr. GASTON. I am positive about it.

Senator DAVIS. Was there anything in that conversation that led you to suppose there was any Senator there present?

Mr. GASTON. Only the fact that some of the people talking seemed to be rather familiar with what had been done in the subcommittee room that day.

Senator DAVIS. How many people evidenced the familiarity, in your judgment?

Mr. GASTON. That I can not say.

Senator DAVIS. Judging from the different voices, how many?

Mr. GASTON. I could not say.

Senator DAVIS. More than two?

Mr. GASTON. They seemed all to know something about it. I can not answer that.

The CHAIRMAN. How many do you think were in that room?

Mr. GASTON. I should judge—that is rather hard to answer. I should suppose, from the noise when they got to talking together, that there must have been 6 or 7 in there.

Senator DAVIS. Going back to the familiarity that seemed to be displayed, was that familiarity evidenced by any disclosure as to what had been done in committee meetings?

Mr. GASTON. None. Simply that the subcommittee had refused to do so and so. That is all that was said. But the familiarty with what the subcommittee had refused to do that day led me to suppose that evidently the people who had been talking about it must have been those who had access to the subcommittee room.

Senator DAVIS. You never stated, I understood you to say, to any person, after you heard this talk, that you recognized the voices of Senators?

Mr. GASTON. No, sir. Of course I do not know the voice of any Senator. I had been asked if certain Senators were there, and if I recognized the voices of them, and I do know that I absolutely said no.

Senator DAVIS. Did it occur to you, or did you suppose at that time, from what you heard, that any Senators were in that room?

Mr. GASTON. At the time I thought there were, but there was absolutely nothing by which I would be willing to say there were.

Senator DAVIS. What made you think so?

Mr. GASTON. The familiarity with matters.

Senator DAVIS. In hearing what was said distinctly did you hear those matters with which such familiarity was evidenced recounted by those you heard?

Mr. GASTON. No, sir; just simply a general course of information of what they said this subcommittee had offered. If I remember, it was 40 per cent and a differential of an eighth.

Senator DAVIS. Did you hear all of the conversation, or was it going on when you went to sleep again?

Mr. GASTON. It must have been going on when I went to sleep. In act, I could not stay awake. The part that was important to me was that the sugar schedule had not been accepted.

Senator DAVIS. Did that conversation satisfy you that in the then condition of affairs as to the sugar schedule it was so unsatisfactory to the sugar interests that they had the power to and would defeat that bill or frame a better one unless their wishes were complied with?

Mr. GASTON. I will answer that in this way: That it was not satisfactory to them, as I learned from their conversation. That it would be the means of defeating the Wilson bill, or procuring a better bill, was simply my own inference from what I knew of the sugar situation.

Senator DAVIS. The whole history of the thing at that time?

Mr. GASTON. Yes, sir. I was in Washington most of the time last winter.

Senator DAVIS. Did you state the next morning to any person, whoever it was, that you were satisfied that the Wilson bill was beaten?

Mr. GASTON. No, sir. I was not satisfied.

Senator DAVIS. What did you say?

Mr. GASTON. I said I thought the Wilson bill would not pass.

Senator DAVIS. What reason did you give for that statement to the person with whom you were talking?

Mr. GASTON. Simply from what I heard in the sugar conversation in the adjoining room.

Senator DAVIS. Did you tell the person with whom you were talking of that conversation?

Mr. GASTON. I did.

Senator DAVIS. Did you give him the details?

Mr. GASTON. No, sir.

Senator DAVIS. Just simply the general facts?

Mr. GASTON. Just simply the general facts—no details at all. I would not listen to a conversation of that kind and give its details. What I mean by that is, I would not publish a thing of that kind.

Senator LODGE. You stated just now that it was not satisfactory to them. Whom do you mean by "them?"

Mr. GASTON. The people in the room.

Senator LODGE. It was not satisfactory to anybody in the room?

Mr. GASTON. No particular person, but generally, which I understood to be the sugar interest.

Senator LODGE. In the conversation in the room, did there appear to be some person or persons who were advocating the existing schedule and others opposing it?

Mr. GASTON. No; their minds all seemed to run one way. There was no controversy of that kind at all. They were all of one accord. The best of feeling was apparently existing.

Senator DAVIS. Allow me to ask a question right there.

Senator LODGE. Certainly.

Senator DAVIS. Was any plan of operations lined out in the conversation you heard as to what would be done in advocacy of bills in the sugar interest?

Mr. GASTON. None.

Senator LINDSAY. You understood from the conversation that the subcommittee had determined to report a bill giving 40 per cent ad valorem and one-eighth of 1 cent per pound?

Mr. GASTON. I did.

Senator LINDSAY. And that these people were dissatisfied with that?

Mr. GASTON. I did.

Senator LINDSAY. And that they were all dissatisfied with it?

Mr. GASTON. Absolutely, all of them. Every one of them. They were of one accord.

Senator LINDSAY. That fact, in connection with your knowledge of the situation, induced you to believe that the Wilson bill could not pass without material changes?

Mr. GASTON. That is a fact.

Senator LINDSAY. And that is what you told the gentleman downstairs?

Mr. GASTON. Precisely. Absolutely that is all.

Senator LINDSAY. Now, this newspaper statement that you were unable to sleep until just before daylight——

Mr. GASTON. I never slept sounder in my life. At 8 o'clock I had an appointment, and I slept so soundly that a gentleman came to my room at half past 9 and asked me why I had not kept my appointment.

Senator LINDSAY. This statement that you distinguished the voices of several Democratic Senators whom you knew?

Mr. GASTON. Is absolutely false.

Senator LINDSAY. And you distinctly recognized the voices of several sugar-trust magnates?

Mr. GASTON. I do not know their voices.

Senator LINDSAY. "He did not, however, remain in bed long after the sun was up, because what he had heard seemed to him too good news."

Mr. GASTON. I slept pretty soundly and I did not arouse until half past 9 o'clock.

Senator LINDSAY. "Bright and early he was down in the lobby of the hotel and telling his friends, among them a couple of Congressmen, that he knew the Wilson bill would never pass."

Mr. GASTON. I never spoke to but one Congressman, and I never would have told him had our relations not been confidential, and I was startled to think that fact should have been disclosed.

Senator LINDSAY. "He made no secret of how he got his information, and even told the names of the Senators who had been in the room next to him nearly all night."

Mr. GASTON. That is false in every particular.

Senator LODGE. You never mentioned a name to anyone?

Mr. GASTON. No, sir.

The CHAIRMAN. You did not know the names?

Mr. GASTON. No, sir; I did not know the names.

Senator LODGE. You recognized no voice there?

Mr. GASTON. None whatever. As far as hearing Senators' names mentioned, as I say, I probably heard ten of them mentioned, different Senators, but in no connection—only simply in a general running conversation—but in no connection with any schedule or programme or anything of the kind.

Senator LODGE. Why did you attach importance to the conversation?

Mr. GASTON. For the reason, as I stated, that the sugar men were dissatisfied. I did not think the Democratic committee would give them anything more than that; I was a little surprised that they had given them that, and knowing, as I say, that the sugar men, if so disposed, had it in their power to defeat the bill, unless they were perfectly satisfied. Those were my reasons. My conclusion was based upon my own inference and my own knowledge based on what I heard that night, and I must candidly tell you that I have not worried as much since. I must state since hearing that conversation that night that I felt confirmed in the position I had held for a long time.

Senator LINDSAY. So far as you know the Democratic committee has not given them any more than they discussed that night?

Mr. GASTON. Really, I do not know the schedule they have given them as a fact. I understood 40 and an eighth.

Senator LODGE. What date were you there?

Mr. GASTON. From the 6th to the 9th of March, and from the 8th to the 10th of May.

Senator LODGE. The schedule 40 and an eighth was the one proposed?

Mr. GASTON. I think they had rejected it.

Senator LODGE. And they were dissatisfied with the offer?

Mr. GASTON. Yes, sir; I understood that they offered them 40 and an eighth.

Senator LINDSAY. Who offered?

Mr. GASTON. The subcommittee, and it was not satisfactory.

The CHAIRMAN. It was not satisfactory to them?

Mr. GASTON. It was not satisfactory to them, and from what I gathered it would not be satisfactory to them. That is the fact precisely, as I understood it at the time. Now, if I remember rightly, it

was about the 7th or the 8th that the subcommittee closed its work and the bill was reported, I think, in a very few days after that.

Senator LODGE. It was reported on the 20th of March.

Mr. GASTON. Now, let me say further in connection with this, as I stated to you before, had I not been called by the committee now, I should have asked for a hearing in the matter to put myself right.

The CHAIRMAN. Since Mr. Shriver's testimony this thing has come to you?

Mr. GASTON. What do you mean?

The CHAIRMAN. About the account Mr. Shriver gave.

Mr. GASTON. I did not see Mr. Shriver's account. It was a week ago last Friday that a person asked me, going from Wilkesbarre to Philadelphia, if I did not want to read the Philadelphia Press. I was perfectly dumfounded when I read this. I first went to the Philadelphia Press in Philadelphia, and then went over to the Mail and Express in New York. The Philadelphia Herald on Sunday said I would not take $1,000 for my information. If I thought these reporters knew what I did know it would be a pretty cheap job to value at $1,000. The Herald said I had told tales out of school.

Senator DAVIS. Do you know Mr. Shriver?

Mr. GASTON. I met him last night for the first time.

Senator DAVIS. Did he call upon you?

Mr. GASTON. I had just registered at the Arlington when he came up and spoke to me; he and another man by the name of Walker.

Senator DAVIS. Was that the first communication you ever had with either Shriver or Walker?

Mr. GASTON. The first I ever had in my life.

Senator DAVIS. Written or verbal?

Mr. GASTON. The first, either written or verbal, in any shape or form.

Senator ALLEN. A few days before you occupied the room you say Miss Terrill occupied that room?

Mr. GASTON. Yes, sir.

Senator ALLEN. Have you any means of knowing who occupied the room adjoining you?

Mr. GASTON. It was Mr. Terrill's room. He had three rooms. I think he had his family here at one time.

Senator ALLEN. Is he the man who has been characterized in this article as Brice's Terrill?

Mr. GASTON. I do not know whether he is a stockbroker or what he is, but I think he is the Terrill who represented the sugar interest here in Washington.

Senator ALLEN. He is a broker in Wall street?

Mr. GASTON. That I do not know.

Senator ALLEN. You say you gathered from the voices that there were 5 or 6 persons in that room?

Mr. GASTON. Yes, sir; I should judge from the talk. Sometimes they would all talk at once.

Senator ALLEN. From what they said can you tell whether any of them were Senators?

Mr. GASTON. Only from the familiarity that some of them seemed to have about what had been done in the subcommittee room.

Senator ALLEN. Did they use any expressions like this, for instance, by which you could determine: This schedule is the best we can possibly do for you?

Mr. GASTON. Nothing of that kind.

Senator ALLEN. Was anything of that nature used?

Mr. GASTON. No, sir; simply that 40 per cent and one-eighth of 1 cent had been what was offered.

Senator ALLEN. Did these persons, whoever they were, who talked about urging the option on this schedule you have mentioned, talk in a way that implied to you that they were speaking with authority?

Mr. GASTON. None whatever.

Senator ALLEN. Repeat something that they said, if you can?

Mr. GASTON. That is pretty difficult to do.

Senator ALLEN. Give the substance of it.

Mr. GASTON. Simply that the subcommittee had offered them 40 per cent, and an eighth differential.

Senator ALLEN. They said the subcommittee had offered them that?

Mr. GASTON. Yes, sir.

Senator ALLEN. Who said that?

Mr. GASTON. I do not know.

Senator ALLEN. Whom did you understand to say that?

Mr. GASTON. Nobody in particular.

Senator ALLEN. You came to the conclusion that that was a meeting of some Senators and representatives of the sugar interests?

Mr. GASTON. I knew they were representatives, apparently from the conversation regarding the sugar interest, and I thought there were some Senators there from their familiarity with the schedule.

Senator ALLEN. There must have been something said upon the part of those who were urging the schedule that led you to believe that they were speaking as officers?

Mr. GASTON. No, sir; absolutely nothing. Every mind in that meeting was one way. Nobody was urging anything and nobody was opposing anything. They were all of one mind. It was not apparently as though certain people were in there opposing anything and another party asking it, but they were all of one mind; there was no opposition whatever; there was nothing demanded and nothing refused. It was just a plain, simple statement that it was offered by the subcommittee and was not satisfactory. Then, knowing that that was unsatisfactory and judging from what they said, would be unsatisfactory; knowing that the sugar schedule was the foundation of the defeat or a better bill, and from my own knowledge of the tariff from my being here in Washington last winter, my inference was——

Senator ALLEN. You do not seem to understand what I am driving at. Any man, listening to a miscellaneous conversation through a door, which conversation is loud enough to be heard——

Mr. GASTON. Yes, sir.

Senator ALLEN. Can tell that there is some person urging one thing and some person urging another, and that there is a division in sentiment?

Mr. GASTON. I have just stated that there was no division in sentiment. There was nobody urging and nobody opposing.

Senator ALLEN. Even if they were talking it over the impression coming to you would lead you to believe that some person is speaking with authority in regard to the matter. Something will be said. For instance, if he is a subcommittee man he will use an expression to the effect that that is the best schedule they can possibly formulate, and another man opposing the sugar interest would undertake to show that it was not just to him. Did anything of that kind occur?

Mr. GASTON. No, sir; nothing of that kind occurred; absolutely. No one asked anything and no one——

Senator ALLEN. There was nothing in the conversation whatever

to make any impression upon your mind that a part and parcel of the persons there were Senators?

Mr. GASTON. Only the familiarity with the schedules; that is all.

Senator ALLEN. And you did conclude from their familiarity with the schedules that one or more of the persons in that room were Senators, did you?

Mr. GASTON. I will not say that; no, sir. I will not answer in that way. I will answer that by saying this, that it occurred to me there must be some Senators present there from the familiarity with what was done in the subcommittee room that day. That was absolutely all. Now whether there were one, two, three, or four, I am not prepared to say.

Senator ALLEN. From the familiarity with what had been done in the subcommittee room that day, and the familiarity with which they discussed the sugar schedule?

Mr. GASTON. No; I will not say that. From the familiarity with what had been done, not from any familiarity with the sugar schedule at all, because those people who were talking seemed to know the least actually about sugar.

Senator ALLEN. You came to the conclusion that that was a meeting of the sugar-trust interests upon the one hand and those who were speaking for the tariff upon the other?

Mr. GASTON. No, sir.

Senator ALLEN. You reached no conclusion of that kind?

Mr. GASTON. Nothing of the kind at all.

Senator ALLEN. What was there that attracted your attention in listening?

Mr. GASTON. The fact that sugar was spoken about, and my knowledge of sugar was what attracted my attention.

Senator ALLEN. Did not sugar form the entire conversation or discussion?

Mr. GASTON. No, sir.

Senator ALLEN. What else was discussed there?

Mr. GASTON. Social talk; small talk, you might say.

Senator ALLEN. The general drift of the conversation was upon the sugar schedule?

Mr. GASTON. Anything that related to public matters.

Senator ALLEN. Did you reach any conclusion in your own mind as to who those persons were in there?

Mr. GASTON. I did not.

Senator ALLEN. And you did not have any impression then and do not now have any impression of who they are?

Mr. GASTON. No, sir.

Senator ALLEN. And never expressed to any person or persons who they were?

Mr. GASTON. No, sir.

Senator ALLEN. Never gave any names?

Mr. GASTON. As being in that meeting? No, sir.

Senator ALLEN. The next morning after you got up and went down stairs to the hotel office, did you ascertain the number of the room?

Mr. GASTON. I knew it.

Senator ALLEN. What was the number of the room?

Mr. GASTON. No. 34. I had 33, at the end of the hall. Thirty-four was the corner room. They were a suite of rooms occupied by Mr. Terrill. Thirty-three was at the end of the hall and 34 was the corner. There were three rooms and then came the elevator.

Senator ALLEN. You know the room definitely?

Mr. GASTON. Yes, sir.

Senator ALLEN. That was on what day?

Mr. GASTON. The 7th of March.

Senator ALLEN. That was in the Arlington Hotel?

Mr. GASTON. That was in the Arlington Hotel.

Senator ALLEN. The next morning when you went down did you ascertain what persons had been in that room that night?

Mr. GASTON. I did not.

Senator ALLEN. Do you know of any Senators who boarded in that hotel at that time?

Mr. GASTON. The only one whom I know boarded in that hotel was, I think, Senator Platt, a very tall, slim man.

Senator LINDSAY. Do you think you recognized Senator Platt's voice in that room?

Mr. GASTON. No, sir; I don't know his voice.

Senator ALLEN. Did you before going to bed see Mr. Terrill in the office there?

Mr. GASTON. No, sir; I would not know him if I saw him.

Senator ALLEN. Or at the hotel?

Mr. GASTON. No, sir.

Senator ALLEN. Did you know he was in the city?

Mr. GASTON. Yes, sir.

Senator ALLEN. Did you know that H. O. Havemeyer was in the city at that time?

Mr. GASTON. Yes, sir.

Senator ALLEN. Had you seen him?

Mr. GASTON. No, sir.

Senator ALLEN. You had known from some other person he was here?

Mr. GASTON. Yes, sir.

Senator ALLEN. Did you know at what hotel he was stopping?

Mr. GASTON. No, sir.

Senator ALLEN. Did you ascertain afterwards?

Mr. GASTON. No, sir; I did not ask the question.

Senator ALLEN. So you have no means of knowing, and acquired no means of knowing the next morning, who any of these persons were?

Mr. GASTON. No, sir.

Senator ALLEN. What is your occupation?

Mr. GASTON. I am a wire-rope manufacturer and general manager of the Hazard Manufacturing Company, Wilkesbarre, Pa.

Senator ALLEN. You have no interest, of course, in sugar matters yourself?

Mr. GASTON. No, sir; absolutely none.

Senator ALLEN. And did not at that time?

Mr. GASTON. Whatever interest I may have had was outside, but I had no pecuniary interest in any stock or anything of that kind. I have been accused of making some money in Wall street out of sugar stock, but I have no interest in the sugar trust—absolutely none.

Senator ALLEN. Did you meet with any person or persons the next day or any time afterward who told you who the persons were in that room?

Mr. GASTON. No, sir.

Senator DAVIS. You started to say awhile ago why you knew Mr. Terrill was in that room?

Mr. GASTON. Some gentleman came in whom I did not recognize, and he said, "Mr. Terrill, good evening; I just came in to pay my respects to you." Mr. Terrill replied, "I am very glad to see you."

Senator ALLEN. Did he call any name?

Mr. GASTON. No, sir.

Senator ALLEN. This person was not in there when you came to bed?

Mr. GASTON. No, sir; he came in and said, "Mr. Terrill, good evening; I have just come in to pay my respects." Mr. Terrill said, "I am very glad to see you."

Senator ALLEN. Did you hear these gentlemen when they came to Mr. Terrill's room and rapped?

Mr. GASTON. No, sir; I did not.

Senator ALLEN. They were all in the room, engaged in conversation?

Mr. GASTON. That was what awakened me.

Senator ALLEN. The conversation was being carried on when you awoke?

Mr. GASTON. Yes, sir; that is it.

Senator LINDSAY. The man who paid his respects to Mr. Terrill, did he discuss sugar?

Mr. GASTON. No, sir; he simply said, "I have come to pay my respects to you," and I went to sleep almost instantly.

Senator LODGE. I want to understand exactly your statement. You say you had the impression that there were Senators there from the knowledge which was displayed of the action of the subcommittee of the Finance Committee of the Senate?

Mr. GASTON. Yes, sir.

Senator DAVIS. Action taken that day?

Mr. GASTON. No, sir; they simply said the subcommittee offered us to-day 40 and an eighth, which we refused. My idea of that, gathered from their familiarity, was that only Senators could have had access to the subcommittee room in that way.

Senator DAVIS. The disclosure that was made that gave rise to your supposition was of the events that had taken place in the subcommittee that very day?

Mr. GASTON. Yes, sir. They said, "They offered us to-day 40 and an eighth."

Senator ALLEN. They talked like persons who were familiar with the action of the subcommittee and who were in communication with them?

Mr. GASTON. Yes, sir.

The CHAIRMAN. Is that the only reason why you made that inference?

Mr. GASTON. Yes, sir; and from my own reason that I was familiar with tariff matters.

The CHAIRMAN. I say the only ground upon which you raised a conjecture that a Senator might be present was that there seemed to be some one there who appeared to be familiar with what the subcommittee had done that day?

Mr. GASTON. Yes, sir.

Senator DAVIS. You stated a few moments ago that one of the grounds of your supposition was the familiarity with the schedule?

Mr. GASTON. With the sugar schedule. That is what I mean. Their familiarity with what had been done that day. That means, what had been offered in that way by the subcommittee that day.

Senator DAVIS. Limited to that day, or familiarity theretofore?

Mr. GASTON. More particularly to that day.

Senator ALLEN. What did the sugar men say, as far as you could gather, about the sugar schedule, as to what they wanted?

Mr. GASTON. That I did not hear them say. But I heard arguments that the industry was entirely misunderstood. That its requirements, etc., were not appreciated, and there was argument made to show that they ought to have more of a duty than that; that they were not being treated fairly; and the argument, so far as I heard made, by whoever was talking, was apparently made by those who were perfectly familiar with the sugar industry.

Senator DAVIS. You say you heard argument? With whom were they arguing?

Mr. GASTON. Well, I will not say argument, but in the discussion of what the sugar interest ought to have, there seemed to be some who were very familiar with the sugar industry.

Senator DAVIS. Did that seem to come from one particular man?

Mr. GASTON. I think it did.

Senator DAVIS. Was he there replied to by anybody?

Mr. GASTON. Only in a general way.

Senator DAVIS. Was that reply an acquiescence in his views or a disputation?

Mr. GASTON. It seemed to be an acquiescence. In other words, I think he seemed to know more about sugar than the rest of them. In fact, I heard them compliment him about knowing more about sugar than they.

Senator DAVIS. What was the language of that compliment?

Mr. GASTON. Simply, if anybody was posted on sugar, he certainly was. He may have been a sugar refiner for all I know. He seemed to be familiar with the markets of the world and seemed to be, whoever he was, a very smart fellow, and from the way he understood his business, evidently he must have been a sugar refiner.

Senator ALLEN. He was addressing that to these persons who seemed to be familiar with what the subcommittee had done?

Mr. GASTON. Yes, sir.

The CHAIRMAN. He seemed to be a person who made the best statement of the matter as they understood it and as they were interested in it?

Mr. GASTON. Yes, sir; and you know after listening to him I said to myself, "That is a pretty bright fellow in there," and I began to be converted myself.

The CHAIRMAN. Did any of these persons say anything as to why they were not treated fairly, or why the sugar interest was not treated fairly?

Mr. GASTON. No, sir; only in the reduction of the tariff.

The CHAIRMAN. Did they indicate what kind of a tariff they wanted?

Mr. GASTON. No, sir.

The CHAIRMAN. Did they indicate how large the tariff should be before it would be of any benefit?

Mr. GASTON. No, sir.

The CHAIRMAN. Did they complain or say anything upon the subject of their having aided any political party before that, and therefore they ought to have received better treatment?

Mr. GASTON. No, sir; there were no politics in the matter.

The CHAIRMAN. Was there anything said in that conversation upon the part of any person you could hear of any contributions being made by the sugar trust to any political party or the representatives of any political party?

Mr. GASTON. No, sir; not at all.

The CHAIRMAN. There was nothing said from which you could infer that any political party was under obligations to the sugar trust?

Mr. GASTON. No, sir; absolutely nothing; there were no politics in it.

The CHAIRMAN. It was all sugar.

Mr. GASTON. Yes, sir.

Senator DAVIS. You were awakened about what time?

Mr. GASTON. I think I looked at my watch about 10 o'clock.

Senator DAVIS. You heard this going on about an hour and then went to sleep?

Mr. GASTON. Maybe so; maybe three-quarters of an hour.

Senator DAVIS. And then you went to sleep?

Mr. GASTON. Yes, sir; I did not know a thing until the next morning from the last I heard of the conversation.

Senator LODGE. From this casual conversation which you overheard accidentally you concluded that the tariff bill would be either beaten or very much changed?

Mr. GASTON. Yes, sir.

Senator LODGE. Why?

Mr. GASTON. The interests of one industry in tariff matters should be the interests of all, and I knew, or I thought I knew, that the sugar men could not get it all, and that it would have to be live and let live, as it is in all such matters. Therefore, if the sugar men were better taken care of, the other schedules would be better taken care of. That was my inference, and it was not an unnatural one.

Senator ALLEN. I understood you to say awhile ago that you knew the sugar trust had it in their power to defeat this bill if not satisfactory to them?

Mr. GASTON. Yes, sir.

Senator ALLEN. What do you mean by that?

Mr. GASTON. I mean this: There are two Senators from Louisiana, and in Louisiana there is a bounty of 2 cents on sugar. The sugar interest having certain Senators representing it, in the closeness of the vote in the Senate, of course there is not a very great margin, as you know. There is Senator Hill and Senator Murphy and Senator Smith in opposition to the income tax. Put those things together, and with the margin as small as you know it is in the Senate, at least as I presume it is——

Senator ALLEN. You think if the sugar schedule was not satisfactory to the sugar trust that the sugar trust would be able to control the action of the Senate to defeat the bill?

Mr. GASTON. I thought the Senators from Louisiana would be able to protect their own interests. The sugar interest is a great industry in Louisiana. The sugar-beet interest, you understand, comes from California, and their Senators have some interests to represent, and I did not see how an industry could give up a 2-cent bounty when they had it in their power——

Senator ALLEN. Suppose they had a beet interest in California and other States; do you think they would have sufficient influence with their Senators to require them to vote against this bill if it was contrary to their judgment?

Mr. GASTON. I do not want to say that, but should think they would consider it to their interest to protect the interests of their own State. The sugar interest of Louisiana is a very important interest.

Senator ALLEN. They have other interests there.

Mr. GASTON. Yes, sir; but take the sugar interest out of Louisiana and it would be a pretty sad State.

Senator ALLEN. You concluded that the Louisiana Senators, with such Senators as represented the sugar-beet States, together with the income-tax Senators who were hostile to the bill, would be sufficient to defeat it?

Mr. GASTON. Yes, sir.

Senator ALLEN. And you thought the sugar-trust interest would combine with them to defeat the bill?

Mr. GASTON. No, sir. I thought the sugar interest in Louisiana would be taken care of by their Senators, as was done by Senator White when in the Senate. If I was interested in the sugar interest in Louisiana, I would be too well satisfied with 2 cents bounty to give it up unless I got something equivalent for it.

Senator ALLEN. That is your own deduction?

Mr. GASTON. Yes, sir.

Senator ALLEN. Not as a fact?

Mr. GASTON. Oh, no; I do not want to state a thing of that kind as a fact.

Mr. GASTON. I am very glad of the opportunity to be heard here. Certain Senators have had their honesty impugned by what the newspapers have attributed to me as saying, and I am only too glad to come here and make a statement in their interest and to vindicate myself.

Senator ALLEN. You never used any language that is attributed to you about Senator Smith in that article?

Mr. GASTON. Oh, no, sir; absolutely nothing. I might say to you, Senator Allen, as you were not here awhile ago, that in this article——

Senator ALLEN. I am not going over the matter that you have already testified to.

Mr. GASTON. I was going to say that, as stated in this article, I did tell a Congressman—I admit that—but based simply on my own inference from what I had heard.

Whereupon, at 12 o'clock m., the committee adjourned until to-morrow, June 6, at 11 o'clock a. m.

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53D CONGRESS, 2d Session. } SENATE. { REPORT No. 477.

IN THE SENATE OF THE UNITED STATES.

JUNE 12, 1894.—Ordered to be printed.

Mr. GRAY, from the Special Committee to Investigate Attempts at Bribery, etc., submitted the following

REPORT:

The special committee, under and in pursuance of a resolution of the Senate of May 17, A. D. 1894, as follows:

Whereas it has been stated in the Sun, a newspaper published in New York, that bribes have been offered to certain Senators to induce them to vote against the pending tariff bill; and

Whereas it has also been stated in a signed article in The Press, a newspaper published in Philadelphia, that the sugar schedule has been made up as it now stands in the proposed amendment in consideration of large sums of money paid for campaign purposes of the Democratic party: Therefore,

Resolved, That a committee of five Senators be appointed to investigate these charges and to inquire further whether any contributions have been made by the sugar trust, or any person connected therewith, to any political party for campaign or election purposes or to secure or defeat legislation, and whether any Senator has been or is speculating in what are known as sugar stocks during the consideration of the tariff bill now before the Senate, and with power to send for persons and papers and to administer oaths.

Resolved further, That said committee be authorized to investigate and report upon any charge or charges which may be filed before it alleging that the action of any Senator has been corruptly or improperly influenced in the consideration of said bill, or that any attempt has been made to so influence legislation.

have attended to their duties so far as they have been able, because of the matters hereinafter stated, and ask leave to report in part as follows:

In pursuance of said resolution the said committee met in the Capitol on the 21st day of May, 1894, at 10 o'clock a. m., and, after the examination of certain matters embraced in the first paragraph of the said resolution, the committee proceeded to investigate further the matters submitted to them by the said resolution, and on the 8th day of June, A. D. 1894, the committee being duly assembled, one Elverton R. Chapman, who had been duly subpœnaed and summoned as a witness to appear before said committee, then and there appeared and submitted to be examined as a witness. The witness was duly sworn by the chairman of said committee.

After certain testimony had been given by him his examination was, at his request, continued until the 9th day of June, A. D. 1894, at which date he appeared, and the testimony of the said Elverton R. Chapman having been resumed, the following proceedings were had before the committee, and he was asked the following questions, to which questions he made the following answers and refusals to answer:

The CHAIRMAN. Mr. Chapman, you were asked yesterday whether your firm is a large dealer in sugar stock, and you were told by Senator Davis that in connection with this question, which was to be con-

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The CHAIRMAN. Mr. Chapman, you were asked yesterday whether your firm is a large dealer in sugar stock, and you were told by Senator Davis that in connection with this question, which was to be con-

sidered as preliminary to inquiry of the witness into dealings he or his firm may have had in sugar stocks during the pendency of the present tariff bill in the Senate, in which dealings Senators were, or are, directly or indirectly interested. That was the question in regard to which you said yesterday that you would like before answering to consider. What do you say this morning in answer to that question already put, and I put it to you again?

Mr. CHAPMAN. With reference to the first part of the inquiry, as it is matter of public notoriety among our associate members of the New York Stock Exchange, I state that we have handled large quantities of stock of the American Sugar Refining Company during the pendency of this bill.

Senator LODGE. You have bought and sold?

Mr. CHAPMAN. Bought and sold. Perhaps is better bought and sold than handled.

The CHAIRMAN. Were any of those transactions in sugar stock or certificates, so called, transactions in which any Senators of the United States were interested, either directly or indirectly, during the pendency of the present tariff bill, or the consideration of the present tariff bill?

Mr. CHAPMAN. With all due respect to this honorable committee, I decline to answer that question or any question relating to the business of the firm of Moore & Schley, of which I am a partner.

The CHAIRMAN. Have you finished your answer?

Mr. CHAPMAN. I have.

The CHAIRMAN. You have? Do you decline to answer that question on the ground that its answer may tend in any way to criminate yourself or expose you to a criminal prosecution of any kind whatever?

Mr. CHAPMAN. I decline to answer that question for the reason that we are brokers, and as such are engaged in the business of buying, selling, and carrying stocks, bonds, and other securities dealt in on the New York Stock Exchange for the account of our customers, who are the principals. In transactions we are simply their agents, and as such have neither a moral nor a legal right to divulge the details of business with which we are intrusted. Our relations with our clients are those of the closest confidence, and should we violate this confidence, even at the demand of this honorable committee, we should justly forfeit the respect of those upon whom we must depend for our business.

The CHAIRMAN. You have given a reason for declining to answer the question before the last. My last question was whether you decline to answer for the reason that an answer might expose you to criminal prosecution or tend to expose you to such in any way.

Mr. CHAPMAN. I do not.

The CHAIRMAN. You do not for that reason.

Senator LODGE. You decline to answer for the reason that you have just stated?

The CHAIRMAN. And not for the reason that I have just asked?

Mr. CHAPMAN. That is correct.

Senator DAVIS. You have been summoned to appear before this committee as a witness, have you not?

Mr. CHAPMAN. Yes.

Senator DAVIS. And you appear pursuant to that summons?

Mr. CHAPMAN. I do, sir.

Senator DAVIS. Mr. Chapman, you are asked whether the firm of Moore & Schley have bought or sold what are known as sugar stocks during the month of February, 1894, and after the first day of that

month, for or in the interest, direct or indirect, of any United States Senator?

Mr. CHAPMAN. I decline to answer that question.

Senator DAVIS. Has the firm of Moore & Schley during the month of March, 1894, bought or sold any stocks or securities known as sugar stocks for or in the interest, direct or indirect, of any United States Senator?

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Has the firm of Moore & Schley during the month of April, 1894, bought or sold any stocks or securities known as sugar stocks for or in the interest, direct or indirect, of any United States Senator?

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Has the firm of Moore & Schley during the month of May, 1894, bought or sold any stocks or securities known as sugar stock for or in the interest, direct or indirect, of any United States Senator?

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Has the firm of Moore & Schley, during the month of June, 1894, bought or sold any stocks or securities known as sugar stock for or in the interest, direct or indirect, of any United States Senator?

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Is the firm of Moore & Schley at present carrying any sugar stock for the benefit of or in the interest, direct or indirect, of any United States Senator?

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Mr. Chapman, has your attention been called to, and have you considered, sections 102, 103, and 104 of the Revised Statutes of the United States upon the subject of refusal of a witness to answer a question pertinent to the inquiry when addressed to him by a committee duly authorized to investigate?

Mr. CHAPMAN. In a general way, yes.

Senator DAVIS. You have read the statute?

Mr. CHAPMAN. I have not read it.

Senator DAVIS. I show you the sections to which I refer. Just cast your eye over them.

Mr. CHAPMAN (after reading). I have now read the statute.

Senator DAVIS. After reading that statute, do you still persist in your refusal to answer the several questions which have been addressed to you?

Mr. CHAPMAN. I do.

Senator ALLEN. Mr. Chapman, Hon. Nelson W. Aldrich is a United States Senator from the State of Rhode Island, now engaged in discharging his duties as a member of the Senate, and has been since the 1st of February, 1894. You may state if he has purchased or sold any sugar stock, such as are menitoned in this resolution, through your firm during the period I have mentioned. I speak of the period from the 1st day of February, 1894, to the present moment, during all which time the tariff bill has been under discussion in the Senate.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. You decline to answer. William V. Allen is a United States Senator from the State of Nebraska, and has been during this period. You may state if during that time he bought or sold, or had been concerned in buying or selling, sugar stocks through your firm.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. I want to state to you, in connection with this question, Mr. Chapman, that I am the William V. Allen whose name is embraced in the preceding question, and I give you full liberty, and make personal request of you, to testify before this committee if I have had any business transactions with your firm or through your firm in the purchase or sale of sugar stocks or any other stocks during that period. I hope you will waive your privilege, as you look at it, to that extent.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. You decline to answer that. The Hon. William B. Allison is a United States Senator from the State of Iowa, and has been during the period I have mentioned. State whether he has been concerned in buying or selling any sugar stocks during the period I have mentioned. I am going to take you through the list of these names, and you may answer as rapidly as I can proceed with them.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. I put to you the same question in reference to Hon. William B. Bate, a United States Senator from the State of Tennessee.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. I put to you the same question with reference to Hon. James H. Berry, a United States Senator from the State of Arkansas.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Joseph C. S. Blackburn, a United States Senator from the State of Kentucky.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Hon. Calvin S. Brice, a Senator from the State of Ohio, you have testified about. Hon. Matthew C. Butler is a United States Senator from the State of South Carolina. I ask you the same question with reference to him.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also the same question with reference to Hon. Donelson Caffery, a United States Senator from the State of Louisiana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Wilkinson Call, a United States Senator from the State of Florida.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Johnson N. Camden, a United States Senator from the State of West Virginia.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James Donald Cameron, a United States Senator form the State sf Pennsylvania.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Joseph M. Carey, a United States Senator from the State of Wyoming.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William E. Chandler, a United States Senator from the State of New Hampshire.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Francis M. Cockrell, a United States Senator from the State of Missouri.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Richard Coke, a United States Senator from the State of Texas.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Shelby M. Cullom, a United States Senator from the State of Illinois.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John W. Daniel, a United States Senator from the State of Virginia.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also the Hon. Cushman K. Davis, a United States Senator from the State of Minnesota. He is a member of the committee, and may speak for himself.

Senator DAVIS. Mr. Chapman, I request and insist that you answer that question.

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Do you wish to put me in the position of appearing to have speculated in sugar stocks through your firm?

Mr. CHAPMAN. I do not; I simply decline upon general principles.

Senator ALLEN. Also the Hon. Nathan F. Dixon, a United States Senator from the State of Rhode Island.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Joseph N. Dolph, a United States Senator from the State of Oregon.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Fred T. Dubois, a United States Senator from the State of Idaho.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Charles J. Faulkner, a United States Senator from the State of West Virginia.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William P. Frye, a United States Senator from the State of Maine.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Jacob H. Gallinger, a United States Senator from the State of New Hampshire.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James Z. George, a United States Senator from the State of Mississippi.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Charles H. Gibson, a United States Senator from the State of Maryland.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John B. Gordon, a United States Senator from the State of Georgia.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Arthur P. Gorman, a United States Senator from the State of Maryland.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. George Gray, United States Senator from the State of Delaware.

Mr. CHAPMAN. I decline to answer.

The CHAIRMAN. I make the same request that Senator Davis did, and ask and insist that you answer the question so far as I am concerned.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Eugene Hale, United States Senator from the State of Maine.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also the Hon. Henry C. Hansbrough, United States Senator from the State of North Dakota.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Isham G. Harris, a United States Senator from the State of Tennessee.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Joseph R. Hawley, a United States Senator from the State of Connecticut.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Anthony Higgins, a United States Senator from the State of Delaware.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. David B. Hill, a United States Senator from the State of New York.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. George F. Hoar, a United States Senator from the State of Massachusetts.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Eppa Hunton, a United States Senator from the State of Virginia.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. J. L. M. Irby, a United States Senator from the State of South Carolina.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James K. Jones, a United States Senator from the State of Arkansas?

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John P. Jones, a United States Senator from the State of Nevada?

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James H. Kyle, a United States Senator from the State of South Dakota?

Mr. CHAPMAN. I decline to answer?

Senator ALLEN. Also Hon. William Lindsay, a United States Senator from the State of Kentucky, who is also a member of this committee, and who, I am well satisfied, would desire you to make any statement concerning him if he were present. He is detained from the committee by sickness.

Mr. CHAPMAN. I also decline to answer as to him.

Senator ALLEN. Also Hon. Henry Cabot Lodge, a United States Senator from the State of Massachusetts, a member of the committee.

Senator LODGE. I request and insist, Mr. Chapman, as Mr. Gray and Mr. Davis have done, that you reply whether, directly or indirectly, I have dealt through your firm in the purchase or sale of any kind of stocks?

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. You may assume that that request is made and urged upon you, Mr. Chapman, by every member of the committee, collectively and individually. Also Hon. James McMillan, a United States Senator from the State of Michigan.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John R. McPherson, a United States Senator from the State of New Jersey.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Charles F. Manderson, a United States Senator from the State of Nebraska.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John Martin, a United States Senator from the State of Kansas.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Roger Q. Mills, a United States Senator from the State of Texas.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John L. Mitchell, a United States Senator from the State of Wisconsin.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John H. Mitchell, a United States Senator from the State of Oregon.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John T. Morgan, a United States Senator from the State of Alabama.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Justin S. Morrill, a United States Senator from the State of Vermont.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Edward Murphy, jr., a United States Senator from the State of New York.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John M. Palmer, a United States Senator from the State of Illinois.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Samuel Pasco, a United States Senator from the State of Florida.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Wm. A. Peffer, a United States Senator from the State of Kansas.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. George C. Perkins, a United States Senator from the State of California.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. R. F. Pettigrew, a United States Senator from the State of South Dakota.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Orville H. Platt, a United States Senator from the State of Connecticut.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Thomas C. Power, a United States Senator from the State of Montana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Redfield Proctor, a United States Senator from the State of Vermont.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James L. Pugh, a United States Senator from the State of Alabama.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Matthew S. Quay, a United States Senator from the State of Pennsylvania.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Matt W. Ransom, a United States Senator from the State of North Carolina.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William N. Roach, a United States Senator from the State of North Dakota.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John Sherman, a United States Senator from the State of Ohio.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. George L. Shoup, a United States Senator from the State of Idaho.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James Smith, jr., a United States Senator from the State of New Jersey.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Watson C. Squire, a United States Senator from the State of Washington.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William M. Stewart, a United States Senator from Nevada.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Henry M. Teller, a United States Senator from the State of Colorado.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. David Turpie, a United States Senator from the State of Indiana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. George G. Vest, a United States Senator from the State of Missouri.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William F. Vilas, a United States Senator from the State of Wisconsin.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Daniel W. Voorhees, a United States Senator from the State of Indiana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William D. Washburn, a United States Senator from the State of Minnesota.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Edward D. White, formerly United States Senator of the State of Louisiana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also the Hon. Senator Jarvis, of the State of North Carolina.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Senator McLaurin, of the State of Mississippi.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Newton C. Blanchard, a United States Senator from the State of Louisiana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Stephen M. White, a United States Senator from the State of California.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James F. Wilson, a United States Senator from the State of Iowa.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Edward O. Wolcott, a United States Senator from the State of Colorado.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Senator Patton of the State of Michigan.

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Also Senator Stockbridge, of Michigan, recently deceased.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Now, Mr. Chapman, I understand you to refuse to testify anything whatever concerning any dealings your firm may have had for or on account of any of the persons whose names we have mentioned?

Mr. CHAPMAN. I do.

Senator ALLEN. As dealers in what are known as sugar stocks, pending the present tariff bill, since February 1, 1894, to the present time?

Mr. CHAPMAN. I do.

The CHAIRMAN. And also as to whether any of the persons named have had any dealings or not?

Mr. CHAPMAN. I decline.

The subpœna by which said witness was commanded to appear and testify before the committee at the time and place aforesaid, together with certificate of service thereof, is hereto attached and marked Exhibit A.

EXHIBIT A.

UNITED STATES OF AMERICA.—CONGRESS OF THE UNITED STATES.

To E. R. Chapman, New York City, greeting:

Pursuant to lawful authority, you are hereby commanded to appear forthwith before the special committee of the Senate of the United States, appointed under the resolution of the Senate of May 17, 1894, at the room of the Committee on Privileges and Elections, then and there to testify what you may know relative to the subject-matters under consideration by said committee.

Hereof fail not, as you will answer your default under the pains and penalties in such cases made and provided.

To Richard J. Bright, Sergeant-at-Arms of the Senate of the United States, to serve and return.

Given under my hand, by order of the committee, this 6 day of June, in the year of our Lord one thousand eight hundred and ninety-four.

GEO. GRAY,
Chairman Special Committee.

SENATE OF THE UNITED STATES,
Office of the Sergeant-at-Arms.

I do appoint and hereby empower B. W. Layton to serve this subpœna, and to exercise all the authority in relation thereto with which I am vested by the within order.

R. J. BRIGHT,
Sergeant-at-Arms of the Senate of the United States.

WASHINGTON, D. C., *June 7, 1894.*

I made service of the within subpœna through my deputy, B. W. Layton, on the within-named E. R. Chapman, No. 80 Broadway, at New York City, at 10 o'clock a. m., on the 7th day of June, 1894.

R. J. BRIGHT,
Sergeant-at-Arms of the Senate of the United States.

Your committee further report that during said examination the said witness, Elverton R. Chapman, refused and declined to answer sundry other pertinent questions, duly and properly put to him, as manifestly appears from a full copy of all of his testimony taken before said committee and of all proceedings had in connection therewith, which copy

is hereto annexed and is hereby made a part of this report, as fully as if it were incorporated therein. (Exhibit B.)

In the opinion of the committee each of the questions put to said witness was a proper question and pertinent to the question under inquiry before the committee, and was necessary to make the examination ordered by said resolution of the Senate, and that said witness is in contempt of the Senate and merits to be dealt with for his misconduct; and that said witness, by his various refusals to answer the questions as herein set forth, has violated the provisions of that certain act of Congress in such cases made and provided, being chapter 7 of the Revised Statutes of the United States, which chapter is as follows:

SEC. 102, Rev. Stat. Every person who, having been summoned as a witness by the authority of either House of Congress to give testimony or to produce papers upon any matter under inquiry before either House or any committee of either House of Congress, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the question under inquiry, shall be deemed guilty of a misdemeanor, punishable by a fine of not more than one thousand dollars nor less than one hundred dollars, and imprisonment in a common jail for not less than one month nor more than twelve months.

SEC. 103. No witness is privileged to refuse to testify to any fact or to produce any paper respecting which he shall be examined by either House of Congress or by any committee of either House, upon the ground that his testimony to such fact or his production of such paper may tend to disgrace him or otherwise render him infamous.

SEC. 104. Whenever a witness summoned, as mentioned in section one hundred and two, fails to testify, and the facts are reported to either House, the President of the Senate or the Speaker of the House, as the case may be, shall certify the fact under the seal of the Senate or House to the district attorney for the District of Columbia, whose duty it shall be to bring the matter before the grand jury for their action.

Wherefore, the committee report to the Senate, and to the end that the President of the Senate certify as to said witness his aforesaid failure to testify and his aforesaid refusals to answer, and all the facts herein, under the seal of the Senate, to the U. S. district attorney for the District of Columbia, in order that said witness may be proceeded against in manner and form provided by law.

GEO. GRAY,
WILLIAM LINDSAY,
C. K. DAVIS,
HENRY CABOT LODGE,
WM. V. ALLEN,
Committee.

ADDITIONAL REPORT OF MR. ALLEN, OF THE COMMITTEE.

In addition to the above recommendation of the committee regarding the witness, E. R. Chapman, I think he ought to be brought to the bar of the Senate and required to purge himself of the contempt of which he is guilty, or be summarily punished for a refusal to do so. I therefore recommend the adoption of the following resolution by the Senate:

"Whereas, E. R. Chapman, a witness, was heretofore duly summoned by a select committee of the Senate, and being lawfully required to testify before said committee, has, as appears by the report of said committee, refused to answer pertinent and material questions propounded to him by said committee: Therefore,

"*Resolved*, That the President of the Senate issue his warrant in due form under his hand and the seal of the Senate, directed to the Ser-

geant-at-Arms of the Senate, commanding him forthwith to arrest and bring to the bar of the Senate the body of said E. R. Chapman, to show cause why he should not be punished for contempt, and in the meantime to keep the said Chapman in custody to await the further order of the Senate."

Respectfully submitted.

WM. V. ALLEN.

EXHIBIT B.

SWORN STATEMENT OF ELVERTON R. CHAPMAN.

Senator LODGE. Mr. Chapman, you live in New York?

Mr. CHAPMAN. I do so.

Senator LODGE. Your business?

Mr. CHAPMAN. I am a banker and broker.

Senator LODGE. What is your firm?

Mr. CHAPMAN. The firm of Moore & Schley.

The CHAIRMAN. Are you a member of the firm?

Mr. CHAPMAN. I am, sir.

Senator LODGE. In an article which appeared in the Philadelphia Press of May 14th, the following statement appears:

On the very day that Mr. Voorhees, the chairman of the Finance Committee, denied in the Senate that any amendments were proposed to the Senate's bill as originally reported by the Finance Committee, the list of some 400 amendments, as prepared by Senator Jones, was in the hands of one of the members of the brokerage firm of Moore & Schley. He had not arisen when it was placed in his hands. He was in bed, for it was early morning. He sat up in bed and read these amendments, conspicuous among them being the final determination regarding the sugar schedule. So that while the Senate, the House, and the country not only knew nothing of these amendments, but were assured by the chairman of the Finance Committee that there were none, Senator Brice's brokers had a copy of the amended bill and the privilege, which was denied even to the chairman of the Finance Committee, of reading them.

Do you know anything in regard to that statement?

Mr. CHAPMAN. I do not.

Senator LODGE. Were any such amendments given you before they appeared in public?

Mr. CHAPMAN. They were not.

Senator LODGE. Do you know of any member of your firm receiving them?

Mr. CHAPMAN. I do not.

Senator LODGE. Is there a member of your firm in Washington?

Mr. CHAPMAN. There is not, except myself.

Senator LODGE. I mean you have no house here, no branch house here.

Mr. CHAPMAN. We have a correspondent here, but no member of the firm is located in Washington.

Senator LODGE. That is what I mean. No partner of Moore & Schley lives in Washington. Is the statement that you are Senator Brice's brokers true?

Mr. CHAPMAN. We have at times done business for Senator Brice.

Senator LODGE. So far as you know, no member of your firm and no one in your employment had an advance copy of these amendments?

Mr. CHAPMAN. No, so far as I know.

Senator LODGE. Did you ever hear any suggestion that such was the case except in this newspaper paragraph?

Mr. CHAPMAN. I did not, and I might add that I do not believe it to be true.

Senator DAVIS. Do you know any fact out of which that story could have grown?

Mr. CHAPMAN. I do not.

Senator LODGE. The writer of that story was Mr. Edwards. He has been before the committee. I will quote from his testimony:

The CHAIRMAN. You say:

"Here we know that the brokers with whom Senator Brice has been accustomed to commit his speculative interests have been very large purchasers of sugar, and we know also that these brokers had inside information as to the action of the Senate upon the sugar schedule."

You say you know. How do you know?

Mr EDWARDS. Everybody knew that Moore & Schley, of New York, the brokers with whom Senator Brice has, by common report and common understanding, dealt in all his business, were the largest operators in sugar.

The CHAIRMAN. Do you know that yourself?

Mr. EDWARDS. I do not know it legally.

The CHAIRMAN. You know it by public report?

Mr. EDWARDS. As a matter of public understanding on the stock exchange.

The CHAIRMAN. And no other way?

Mr. EDWARDS. No other way.

Is that statement correct, that you have been very large purchasers of sugar, or had very large dealings in sugar stock during the last six months?

Mr. CHAPMAN. I desire to say to the committee that I responded promptly to the subpœna served upon me yesterday and have had no opportunity of consulting counsel in regard to my testimony before this committee, and before answering any questions relating to the business affairs of my firm I would ask the courtesy of the committee for a postponement of my examination upon those points until I can have opportunity to consult with counsel.

The CHAIRMAN. You wish to consult counsel with reference to obtaining a knowledge of what they think your rights may be in regard to answering the question.

Mr. CHAPMAN. Yes, sir. I desire to ascertain or take legal counsel upon the question of the right of this committee to inquire into the business of my firm.

Senator LINDSAY. So far as I am concerned I am willing to concede that you may not be bound to answer as to the general business of your firm in which the public have no interest, but I wish to know whether you also desire to have counsel as to whether or not you will answer questions that relate to the transactions of Senators in buying and selling sugar stocks during the time the tariff bill has been under consideration by the Senate.

Mr. CHAPMAN. I do.

Senator DAVIS. I think, Mr. Chairman, the request is a proper one.

Senator ALLEN. I do not know that I understand this witness thoroughly; therefore I will put him this question. Do you desire to confine your consultation with your counsel to the question whether you are compelled to disclose the names of Senators who may have speculated in sugar stocks pending this tariff bill through your firm as their brokers?

Mr. CHAPMAN. Yes. I would like to ascertain from counsel generally to what extent I should go in disclosing any of the business of my firm before this committee.

Senator ALLEN. And more especially with reference to disclosing transactions of Senators during the pendency of the tariff bill.

Mr. CHAPMAN. That, of course, would be embraced in the inquiry.

The CHAIRMAN (at the request of Senator Lodge). The resolution under which we are acting is as follows:

Resolved, That a committee of five Senators be appointed to investigate these charges (referring to certain charges in the newspapers) and inquire further whether any Senator has been or is speculating in what is known as sugar stocks during the consideration of the tariff bill now before the Senate.

Senator LODGE. Under that inquiry which has just been read, and in pursuit of it, I asked you, Mr. Chapman, whether the statement made in the newspaper that your firm had been very large purchasers of sugar stock during the pendency of the tariff bill was true, and I understand that you decline to answer that question until you have had opportunity to consult your counsel. You request to be allowed not to answer until you have had opportunity to consult your counsel. That is correct?

Mr. CHAPMAN. I stated that before answering any question relating to our business I would prefer to have opportunity to consult counsel, and that request is a general one as to all questions. I do not know that there would be any objection on my part to answering the question that you have just propounded, alone. Assuming that that was to be followed by other questions that would relate to the operations of our house, I desired, at the outset, to make that request. I did not know what the scope of the inquiry would be and had no opportunity to consult counsel in regard to it.

Senator LODGE. Precisely. The chairman has read the resolution and stated to you the scope of the inquiry. My only purpose in referring to it was to bring us, if possible, to the precise point on which you desired to consult counsel; whether you desired to consult counsel before answering any question, or whether you desired to consult counsel before answering this particular question.

Mr. CHAPMAN. Before answering any questions relating to our business affairs. I have already answered the questions relating to the allegation that we had advance information of the tariff schedule. As you are now going into another branch of the inquiry I would like, before answering any question in regard to it, to consult counsel.

The CHAIRMAN. You wish to consult counsel before answering any question as to your private business.

Mr. CHAPMAN. Yes, sir.

The CHAIRMAN. Just before the meeting of the committee after the recess for lunch the following letter was handed me by Senator Brice, which I will read:

SENATE CHAMBER,
Washington, D. C., June 8, 1894.

Hon. GEORGE GRAY,
Chairman, U. S. Senate Committee of Investigation:

SIR: It is stated in the newspapers that brokers and other witnesses as to transactions of Senators in industrial stocks or securities, sugar and others, have been summoned by your committee. In case any of them claim any privilege, this is to say to them severally, that they are authorized and requested to answer as to any transactions of or for me or any of my family, secretaries, clerks, agents, or employés, as to any transactions in sugar or other industrial stocks since March 4, 1891, when I entered the Senate.

During that period I have not been interested, directly or indirectly, alone or with others, either for investment or speculation, or in the results of either, in any sugar or other industrial stock or security or property; and in case any allegation is made by any one as to me, all accounts of mine, or with which I am in any way connected, including my private accounts in my own charge and in those of my clerks, viz, G.

E. Gilliland, Washington; Saml. C. Shortridge and W. E. Findlay, 80 Broadway, New York, and Chas. M. Hughes, Lima, Ohio, and the accounts of my brokers in New York, Messrs. Work. Strong & Co., Moore & Schley, and Latham, Alexander & Co., and of any other broker or brokers, are open to you or to any one authorized by you to examine them, and I hereby request and require each of them to answer fully.

Respectfully,

CALVIN S. BRICE.

Now, after hearing that letter which has been addressed to the committee through its chairman, do you, so far as Mr. Brice is concerned, wish still to consult your counsel before answering?

Mr. CHAPMAN. I do not understand that I have yet been asked any question concerning Senator Brice.

The CHAIRMAN. Well, I will ask you, then, so far as he is concerned, whether during the pendency of the present tariff bill Senator Brice has, through your firm, or to your knowledge, speculated in what are known as sugar stocks?

Mr. CHAPMAN. As I am going to consult my counsel I would prefer to answer no question relating to my business until I have done so.

Senator LODGE. I understood, Mr. Chapman, that you made no objection to answering those questions I asked you in regard to the amendments. I remember I asked in the beginning about the amendments which were said to have been furnished to your firm—a copy of the amendments. You made no objection to answering.

Mr. CHAPMAN. I answered those to the best of my ability.

Senator LODGE. Let me ask a little more fully on that point. Did you or any of your firm have any advance knowledge of any sort in regard to those amendments?

Mr. CHAPMAN. That is a difficult question to answer. We were constantly in receipt of information from Washington as to the progress of the bill and the probabilities one way or another of its final passage and of perhaps some items of the bill.

Senator LODGE. Did you have any advance knowledge as to the present sugar schedule, that it would be 40 per cent ad valorem and an eigth and a tenth differential?

Mr. CHAPMAN. No knowledge, so far as I know.

Senator LODGE. Did you have information that that was to be the schedule?

Mr. CHAPMAN. I could not answer that question. We had advices of all sorts and descriptions constantly coming over, and probably all or most of them were pure guesses with the view of speculation as to what the probable outcome of the negotiation would be.

Senator LODGE. I did not refer to guesses or estimates which were sent out from Washington in large numbers, but did you, three or four days before these Jones amendments, as they are known, appeared in the Senate, have information that these amendments would contain a sugar schedule about 40 per cent ad valorem on all sugar?

Mr. CHAPMAN. Not to my knowledge.

Senator LODGE. You do not know that anyone in your firm had any such knowledge?

Mr. CHAPMAN. I do not think that any member of the firm had such knowledge.

Senator LODGE. Your firm had no such knowledge as would have led them to act upon it?

Mr. CHAPMAN. They did not. I wish to say that my request that the answer to the last question be deferred is made with the view of first having definitely settled the general principles upon which answers to questions shall be made.

The CHAIRMAN. You mean that with reference to the question in regard to Mr. Brice's transactions through your firm, after hearing the letter read, your declination was because you wished to know whether you ought to trench on the general principle that might be laid down in regard to your rights?

Mr. CHAPMAN. That is the idea exactly.

Senator DAVIS. What general principle? Do you advance any general principle now in reference to answering?

Mr. CHAPMAN. That is the question I propose to submit to counsel, as to whether I should answer any questions relating to our business. If I should answer one question I would perhaps be violating the principle that counsel would lay down for me.

WASHINGTON, D. C., *June 9, 1894.*

The committee met pursuant to adjournment.

Present: The chairman (Senator Gray), Senators Lodge, Davis, and Allen.

Mr. ELVERTON R. CHAPMAN appeared.

SWORN STATEMENT OF ELVERTON R. CHAPMAN—Continued.

The CHAIRMAN. Mr. Chapman, you were asked yesterday whether your firm is a large dealer in sugar stock, and you were told by Senator Davis that in connection with this question, which was to be considered as preliminary to inquiry of the witness into dealings he or his firm may have had in sugar stocks during the pendency of the present tariff bill in the Senate, in which dealings Senators were, or are, directly or indirectly interested. That was the question in regard to which you said yesterday that you would like before answering to consider. What do you say this morning in answer to that question already put, and I put it to you again?

Mr. CHAPMAN. With reference to the first part of the inquiry, as it is matter of public notoriety among our associate members of the New York Stock Exchange, I state that we have handled large quantities of stock of the American Sugar Refining Company during the pendency of this bill.

Senator LODGE. You have bought and sold?

Mr. CHAPMAN. Bought and sold. Perhaps is better bought and sold than handled.

The CHAIRMAN. Were any of those transactions in sugar stock or certificates, so called, transactions in which any Senators of the United States were interested, either directly or indirectly, during the pendency of the present tariff bill, or the consideration of the present tariff bill?

Mr. CHAPMAN. With all due respect to this honorable committee, I decline to answer that question or any question relating to the business of the firm of Moore & Schley, of which I am a partner.

The CHAIRMAN. Have you finished your answer?

Mr. CHAPMAN. I have.

The CHAIRMAN. You have? Do you decline to answer that question on the ground that its answer may tend in any way to criminate yourself or expose you to a criminal prosecution of any kind whatever?

Mr. CHAPMAN. I decline to answer that question for the reason that

we are brokers, and as such are engaged in the business of buying, selling, and carrying stocks, bonds, and other securities dealt in on the New York Stock Exchange for the account of our customers, who are the principals. In transactions we are simply their agents, and as such have neither a moral nor a legal right to divulge the details of business with which we are intrusted. Our relations with our clients are those of the closest confidence, and should we violate this confidence, even at the demand of this honorable committee, we should justly forfeit the respect of those upon whom we must depend for our business.

The CHAIRMAN. You have given a reason for declining to answer the question before the last. My last question was whether you decline to answer for the reason that an answer might expose you to criminal prosecution or tend to expose you to such in any way.

Mr. CHAPMAN. I do not.

The CHAIRMAN. You do not for that reason.

Senator LODGE. You decline to answer for the reason that you have just stated?

The CHAIRMAN. And not for the reason that I have just asked?

Mr. CHAPMAN. That is correct.

Senator DAVIS. You have been summoned to appear before this committee as a witness, have you not?

Mr. CHAPMAN. Yes.

Senator DAVIS. And you appear pursuant to that summons?

Mr. CHAPMAN. I do, sir.

Senator DAVIS. Mr. Chapman, you are asked whether the firm of Moore & Schley have bought or sold what are known as sugar stocks during the month of February, 1894, and after the first day of that month, for or in the interest, direct or indirect, of any United States Senator.

Mr. CHAPMAN. I decline to answer that question.

Senator DAVIS. Has the firm of Moore & Schley during the month of March, 1894, bought or sold any stocks or securities known as sugar stocks for or in the interest, direct or indirect, of any United States Senator?

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Has the firm of Moore & Schley during the month of April, 1894, bought or sold any stocks or securities known as sugar stocks for or in the interest, direct or indirect, of any United States Senator?

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Has the firm of Moore & Schley, during the month of May, 1894, bought or sold any stocks or securities known as sugar stock for or in the interest, direct or indirect, of any United States Senator?

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Has the firm of Moore & Schley, during the month of June, 1894, bought or sold any stocks or securities known as sugar stock for or in the interest, direct or indirect, of any United States Senator?

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Is the firm of Moore & Schley at present carrying any sugar stock for the benefit of or in the interest, direct or indirect, of any United States Senator?

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Mr. Chapman, has your attention been called to, and

have you considered, sections 102, 103, and 104 of the Revised Statutes of the United States upon the subject of refusal of a witness to answer a question pertinent to the inquiry when addressed to him by a committee duly authorized to investigate?

Mr. CHAPMAN. In a general way, yes.

Senator DAVIS. You have read the statute?

Mr. CHAPMAN. I have not read it.

Senator DAVIS. I show you the sections to which I refer. Just cast your eye over them.

Mr. CHAPMAN (after reading). I have now read the statute.

Senator DAVIS. After reading that statute, do you still persist in your refusal to answer the several questions which have been addressed to you?

Mr. CHAPMAN. I do.

Senator DAVIS. Is there anything further that you wish to add?

Mr. CHAPMAN. At the session of the committee yesterday, a letter was read from Senator Brice that has caused me some embarrassment. It was a surprise, as I had no intimation that such a letter would be sent to the committee. I will so far depart from the decision I have just announced as to testify that since the Hon. Calvin S. Brice became a member of the Senate of the United States he has not bought nor sold through our house, directly or indirectly, a share of stock of the American Sugar Refining Company or a share of stock of any industrial company dealt in on the New York Stock Exchange. I mean also to include any industrial stock listed on the New York Stock Exchange.

The CHAIRMAN. Do you mean, in your answer, to say that he has bought or sold during the period mentioned no stock known as sugar stock?

Mr. CHAPMAN. I do. And, further, I desire to state that we have not bought or sold a share of such stock for any clerk, agent, or employé, or other person connected in any way with the affairs of Senator Brice, or in the name of any member of his family. But I submit this evidence only on the direct, written request contained in Senator Brice's letter, which has been read in my presence, and I hereby serve notice on the committee that whether requested to do so or not by any person, whether a customer of our firm or not, or whether a Senator of the United States or not, I shall decline to answer any question that may be asked by the committee as to the principal in any transaction made by our firm in the stock of the American Sugar Refining Company or any other stock.

Senator DAVIS. Was the notice which you have just now served upon the committee prepared by your counsel?

Mr. CHAPMAN. No, sir; it was written by myself. Prepared by myself.

Senator DAVIS. Are we to understand, Mr. Chapman, that this committee is dependent for its testimony from you upon permission given by any Senator whose conduct in regard to speculating in sugar stocks we may be investigating?

The CHAIRMAN. Mr. Chapman has just said, as I understand him, that he refuses independently of any permission and contrary to any permission.

Mr. CHAPMAN. On the contrary, I have just stated that even with such consent I should decline to answer any questions tending to divulge the principal in any transaction we may have made in any stock.

Senator DAVIS. On the contrary, Mr. Chapman, you have just now negatived that purpose by complying with Mr. Brice's request, and I want to know whether you are pleading now here the privilege of your firm or the privilege of a Senator in the refusal which you announce your purpose to persist in?

Mr. CHAPMAN. The privilege of my firm.

The CHAIRMAN. Mr. Chapman, upon what ground do you refuse, and, as you say, you will refuse, to disclose the transaction of a principal who authorizes and directs you to disclose anything concerning himself to this committee?

Mr. CHAPMAN. Upon the ground that we deny the right of this committee to investigate the relations that exist between our firm and our clients, or to inquire respecting transactions we may have had for and on account of our clients.

Senator ALLEN. Mr. Chapman, the Senate, by the resolution under which we are acting, directed us to inquire and report whether any Senator has been or is speculating in what are known as sugar stocks during the consideration of the tariff bill now before the Senate, which is what is known commonly as the Wilson tariff bill, which passed the House of Representatives on the 1st day of February, 1894, and from that time has been in the Senate and is still pending in the Senate and under discussion. I understand you to say that you do not base your refusal to answer any of these questions upon your privilege as an individual to be protected in disclosing anything which would criminate you or expose you to public ignominy. You base your refusal altogether upon the supposition that your firm, as a private firm, has a right to secrete the names of its clientage—those who deal with it. Is that correct?

Mr. CHAPMAN. I do.

Senator ALLEN. You base your refusal to answer these questions solely upon that idea, or solely upon that assumed fact?

Mr. CHAPMAN. Upon that fact, coupled with the fact that should we disclose our principals we would lose the confidence of our clients.

Senator ALLEN. Your refusal is in no manner based upon the supposition that it would criminate you or expose you to public ignominy to answer these questions?

Mr. CHAPMAN. It is not.

Senator ALLEN. I desire to read to you sections 102, 103, and 104 of the Revised Statutes, to go into the record:

SEC. 102. Every person who, having been summoned as a witness by the authority of either House of Congress to give testimony or to produce papers upon any matter under inquiry before either House or any committee of either House of Congress, wilfully makes default, or who, having apppeared, refuses to answer any question pertinent to the question under inquiry, shall be deemed guilty of a misdemeanor, punishable by a fine of not more than one thousand dollars nor less than one hundred dollars, and imprisonment in a common jail for not less than one month nor more than twelve months.

SEC. 103. No witness is privileged to refuse to testify to any fact or to produce any paper respecting which he shall be examined by either House of Congress, or by any committee of either House, upon the ground that his testimony to such fact or his production of such paper may tend to disgrace him or otherwise render him infamous.

SEC. 104. Whenever a witness summoned, as mentioned in section one hundred and two, fails to testify, and the facts are reported to either House, the President of the Senate or the Speaker of the House, as the case may be, shall certify the fact under the seal of the Senate or House to the district attorney for the District of Columbia, whose duty it shall be to bring the matter before the grand jury for their action.

I desire to supplement the reading of these sections of the statute by the statement to you that the Senate has full power, where a witness

refuses to answer a question that is pertinent to the subject under consideration by the committee, to bring you to the bar of the Senate and require you to answer or to inflict imprisonment upon you until you do answer, for contempt of its right to inquire. Now, in view of the law which I have read and the statement which I have made to you do you still persist in your refusal to answer any of these questions?

Mr. CHAPMAN. I do.

Senator ALLEN. Your firm keeps a set of books, does it not?

Mr. CHAPMAN. It does.

Senator ALLEN. In which the names of customers on whose account you transact business are to be found?

Mr. CHAPMAN. Yes, sir.

Senator ALLEN. You keep a regular statement of their accounts, their investments, their sales, and your commissions, etc.?

Mr. CHAPMAN. Yes, sir.

Senator ALLEN. Do you know the name of any United States Senator, any man who is now a United States Senator, appearing upon your books since the 1st day of February, 1894, to this date?

Mr. CHAPMAN. I decline to answer that question.

Senator ALLEN. You decline to answer that. You decline to answer it because the name does appear there, or because it does not appear?

Mr. CHAPMAN. I decline to answer it for the reason stated in the answer to a previous question.

Senator ALLEN. Let me supplement that by asking you if you decline to state whether the name of any United States Senator appears upon your books as a dealer in sugar stocks, so called, described in the resolution which you have read, and which has been read in your presence, since the 1st day of February, 1894, to the present date, in consequence of there being such names upon your book as such dealers in that kind of stock, or in consequence of there not being any names of Senators there?

Mr. CHAPMAN. I decline to answer any question tending to show to this committee whether there are or are not the names of any Senators of the United States upon our books dealing in the stocks referred to.

Senator ALLEN. Mr. Chapman, if no United States Senator had dealt in stocks through your firm; that is, sugar stocks, referred to in the resolutions, during the period I have mentioned, from the 1st of February, 1894, to the present time, you would not hesitate to say so, would you? You would not have to say that "No gentleman has dealt in stocks through us," but that "No Senator has dealt in these stocks through us." You would not hesitate to say so, would you?

Mr. CHAPMAN. I should hesitate and decline to state.

Senator ALLEN. That would not disclose any person who had dealt with your firm, but only show that these persons had not dealt through your firm in those stocks; and if no United States Senator has dealt through your firm in these sugar stocks during that period, you would not hesitate to say so, would you?

Mr. CHAPMAN. In pursuance of the general policy outlined in the answer to a previous question, I should decline to answer any question relating in any way to the business of our firm.

Senator ALLEN. But you say, Mr. Chapman, that you put your refusal to answer upon the ground that you think this committee has no power to inquire into the private affairs of your firm. That is correct, is it not?

Mr. CHAPMAN. That is one of the grounds; yes, sir.

Senator ALLEN. Now, then, if your firm has had no transactions

with any Senator of the United States, has not been engaged as his broker in buying or selling these sugar stocks for him, that would not disclose any business of your firm, would it, by saying so?

Mr. CHAPMAN. It would be admitting the right of the committee to ask any question relating to our business.

Senator ALLEN. You deny the right of the committee to ask any question that in any manner relates to your business, as I understand you?

Mr. CHAPMAN. I do.

Senator ALLEN. Now, do you deny the right of the committee to ask you a question which does not relate to the business of your firm?

Mr. CHAPMAN. That would depend upon the scope of the question.

Senator ALLEN. If no U. S. Senator had dealt in these sugar stocks referred to in the resolution, Mr. Chapman, during the period I have mentioned through your firm, you would not hesitate to say they had not, would you?

Mr. CHAPMAN. I should.

Senator ALLEN. Would you hesitate to say they had not?

Mr. CHAPMAN. I should.

Senator ALLEN. You would want the impression conveyed to the public mind by your refusal to testify that they had dealt in sugar stocks through your firm during that time?

Mr. CHAPMAN. Not necessarily.

Senator ALLEN. You understand, do you not, Mr. Chapman, that any declination to answer questions conveys to the mind of the committee that Senators have dealt in sugar stocks through your firm, and that you are attempting to secrete matters and shield them in the transactions? Do you understand that to be a proper deduction from your refusal to answer?

Mr. CHAPMAN. I do not know that I can testify as to the impression my testimony leaves upon the minds of the committee.

Senator ALLEN. If no United States Senator has dealt in these sugar stocks referred to in the resolution, during the period that I have mentioned in previous questions, why should you refuse to say that they have not so dealt?

Mr. CHAPMAN. Upon the general principle that we deny the right of this committee to inquire into our business.

Senator ALLEN. You deny the right of the committee to inquire as to your business, and you deny the right of the committee to inquire into things that you do not transact, as well?

Mr. CHAPMAN. I deny the right of the committee to require an answer to any question which shall have reference to business we have done or business we have not done.

Senator ALLEN. So that you deny the right of the committee to inquire into anything which may concern your firm, affirmatively or negatively?

Mr. CHAPMAN. That is it, exactly.

Senator ALLEN. If in a court of justice under examination, you would not attempt to make that denial, would you?

Mr. CHAPMAN. That would depend very largely upon the circumstances of the case.

Senator ALLEN. Mr. Chapman, Hon. Nelson W. Aldrich is a United States Senator from the State of Rhode Island, now engaged in discharging his duties as a member of the Senate, and has been since the 1st of February, 1894. You may state if he has purchased or sold any sugar stock, such as are mentioned in this resolution, through your

firm during the period I have mentioned. I speak of the period from the 1st day of February, 1894, to the present moment, during all which time the tariff bill has been under discussion in the Senate.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. You decline to answer. William V. Allen is a United States Senator from the State of Nebraska, and has been during this period. You may state if during that time he bought or sold or had been concerned in buying or selling sugar stocks through your firm.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. I want to state to you, in connection with this question, Mr. Chapman, that I am the William V. Allen whose name is embraced in the preceding question, and I give you full liberty, and make personal request of you, to testify before this committee if I have had any business transactions with your firm, or through your firm, in the purchase or sale of sugar stocks or any other stocks during that period. I hope you will waive your privilege, as you look at it, to that extent.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. You decline to answer that. The Hon. William B. Allison is a United States Senator from the State of Iowa, and has been during the period I have mentioned. State whether he has been concerned in buying or selling any sugar stocks during the period I have mentioned. I am going to take you through the list of these names, and you may answer as rapidly as I can proceed with them.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. I put to you the same question in reference to Hon. William B. Bate, a United States Senator from the State of Tennessee.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. I put to you the same question with reference to Hon. James H. Berry, a United States Senator from the State of Arkansas.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Joseph C. S. Blackburn, a United States Senator from the State of Kentucky.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Hon. Calvin S. Brice, a Senator from the State of Ohio, you have testified about. Hon. Matthew C. Butler is a United States Senator from the State of South Carolina. I ask you the same question with reference to him.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also the same question with reference to Hon. Donelson Caffery, a United States Senator from the State of Louisiana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Wilkinson Call, a United States Senator from the State of Florida.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Johnson N. Camden, a United States Senator from the State of West Virginia.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James Donald Cameron, a United States Senator from the State of Pennsylvania.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Joseph M. Carey, a United States Senator from the State of Wyoming.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William E. Chandler, a United States Senator from the State of New Hampshire.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Francis M. Cockrell, a United States Senator from the State of Missouri.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Richard Coke, a United States Senator from the State of Texas.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Shelby M. Cullom, a United States Senator from the State of Illinois.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John W. Daniel, a United States Senator from the State of Virginia.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also the Hon. Cushman K. Davis, a United States Senator from the State of Minnesota. He is a member of the committee, and may speak for himself.

Senator DAVIS. Mr. Chapman, I request and insist that you answer that question.

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Do you wish to put me in the position of appearing to have speculated in sugar stocks through your firm?

Mr. CHAPMAN. I do not; I simply decline upon general principles.

Senator ALLEN. Also the Hon. Nathan F. Dixon, a United States Senator from the State of Rhode Island.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Joseph N. Dolph, a United States Senator from the State of Oregon.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Fred T. Dubois, a United States Senator from the State of Idaho.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Charles J. Faulkner, a United States Senator from the State of West Virginia.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William P. Frye, a United States Senator from the State of Maine.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Jacob H. Gallinger, a United States Senator from the State of New Hampshire.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James Z. George, a United States Senator from the State of Mississippi.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Charles H. Gibson, a United States Senator from the State of Maryland.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John B. Gordon, a United States Senator from the State of Georgia.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Arthur P. Gorman, a United States Senator from the State of Maryland.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. George Gray, United States Senator from the State of Delaware.

Mr. CHAPMAN. I decline to answer.

The CHAIRMAN. I make the same request that Senator Davis did, and ask and insist that you answer the question so far as I am concerned.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Eugene Hale, United States Senator from the State of Maine.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also the Hon. Henry C. Hansbrough, United States Senator from the State of North Dakota.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Isham G. Harris, a United States Senator from the State of Tennessee.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Joseph R. Hawley, a United States Senator from the State of Connecticut.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Anthony Higgins, a United States Senator from the State of Delaware.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. David B. Hill, a United States Senator from the State of New York.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. George F. Hoar, a United States Senator from the State of Massachusetts.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Eppa Hunton, a United States Senator from the State of Virginia.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. J. L. M. Irby, a United States Senator from the State of South Carolina.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James K. Jones, a United States Senator from the State of Arkansas.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John P. Jones, a United States Senator from the State of Nevada.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James H. Kyle, a United States Senator from the State of South Dakota.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William Lindsay, a United States Senator from the State of Kentucky, who is also a member of this committee, and who, I am well satisfied, would desire you to make any statement concerning him if he were present. He is detained from the committee by sickness.

Mr. CHAPMAN. I also decline to answer as to him.

Senator ALLEN. Also Hon. Henry Cabot Lodge, a United States Senator from the State of Massachusetts, a member of the committee.

Senator LODGE. I request and insist, Mr. Chapman, as Mr. Gray and Mr. Davis have done, that you reply whether, directly or indirectly, I have dealt through your firm in the purchase or sale of any kind of stocks?

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. You may assume that that request is made and urged upon you, Mr. Chapman, by every member of the committee,

collectively and individually. Also Hon. James McMillan, a United States Senator from the State of Michigan.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John R. McPherson, a United States Senator from the State of New Jersey.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Charles F. Manderson, a United States Senator from the State of Nebraska.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John Martin, a United States Senator from the State of Kansas.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Roger Q. Mills, a United States Senator from the State of Texas.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John L. Mitchell, a United States Senator from the State of Wisconsin.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John H. Mitchell, a United States Senator from the State of Oregon.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John T. Morgan, a United States Senator from the State of Alabama.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Justin S. Morrill, a United States Senator from the State of Vermont.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Edward Murphy, jr., a United States Senator from the State of New York.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John M. Palmer, a United States Senator from the State of Illinois.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Samuel Pasco, a United States Senator from the State of Florida.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Wm. A. Peffer, a United States Senator from the State of Kansas.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. George C. Perkins, a United States Senator from the State of California.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. R. F. Pettigrew, a United States Senator from the State of South Dakota.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Orville H. Platt, a United States Senator from the State of Connecticut.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Thomas C. Power, a United States Senator from the State of Montana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Redfield Proctor, a United States Senator from the State of Vermont.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James L. Pugh, a United States Senator from the State of Alabama.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Matthew S. Quay, a United States Senator from the State of Pennsylvania.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Matt W. Ransom, a United States Senator from the State of North Carolina.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William N. Roach, a United States Senator from the State of North Dakota.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John Sherman, a United States Senator from the State of Ohio.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. George L. Shoup, a United States Senator from the State of Idaho.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James Smith, jr., a United States Senator from the State of New Jersey.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Watson C. Squire, a United States Senator from the State of Washington.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William M. Stewart, a United States Senator from the State of Nevada.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Henry M. Teller, a United States Senator from the State of Colorado.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. David Turpie, a United States Senator from the State of Indiana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. George G. Vest, a United States Senator from the State of Missouri.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William F. Vilas, a United States Senator from the State of Wisconsin.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Daniel W. Voorhees, a United States Senator from the State of Indiana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William D. Washburn, a United States Senator from the State of Minnesota.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Edward D. White, formerly United States Senator, of the State of Louisiana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also the Hon. Senator Jarvis, of the State of North Carolina.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Senator McLaurin, of the State of Mississippi.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Newton L. Blanchard, a United States Senator from the State of Louisiana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Stephen M. White, a United States Senator from the State of California.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James F. Wilson, a United States Senator from the State of Iowa.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Edward O. Wolcott, a United States Senator from the State of Colorado.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Senator Patton of the State of Michigan.

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Also Senator Stockbridge, of Michigan, recently deceased.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Now, Mr. Chapman, I understand you to refuse to testify anything whatever concerning any dealings your firm may have had for or on account of any of the persons whose names we have mentioned?

Mr. CHAPMAN. I do.

Senator ALLEN. As dealers in what are known as sugar stocks, pending the present tariff bill, since February 1, 1894, to the present time?

Mr. CHAPMAN. I do.

The CHAIRMAN. And also as to whether any of the persons named have had any dealings or not?

Mr. CHAPMAN. I decline.

The CHAIRMAN. Mr. Chapman, you have declined, in regard to all of the Senators now members of the body, to answer the questions put to you as to whether they have had dealings or not with your firm in the so-called sugar stocks, with the exception of Senator Brice. Why did you make that exception?

Mr. CHAPMAN. Simply because Senator Brice had expressly requested in writing that I make it—that I testify as to whether any operations had been conducted by us for his account, and coupled with the denial on his part, in writing, that he had bought or sold any so-called sugar stock; and I have thought proper under the circumstances to corroboate his statement so far as my house isconcerned.

The CHAIRMAN. Why would you not think it proper to accede to the request made by Senator Davis which in substance was the same?

Senator DAVIS. And I add a positive denial of any dealings, directly or indirectly, at any time, in any form or manner, in any of the so-called sugar stocks, and again request and insist that you answer as to me.

The CHAIRMAN. Do you decline still to answer that question as to Senator Davis?

Senator DAVIS. I make the denial here as explicitly as Mr. Brice, and I am willing to take the stand upon it, and again request and insist that the witness answer that question as to me.

The CHAIRMAN. Now, Mr. Chapman, do you still decline to answer the question as to Senator Davis?

Mr. CHAPMAN. I would like a little time to think of that before deciding whether to concede to the Senator's request or not.

Senator ALLEN. I make the same urgent and strong request that Senator Davis has made, and I deny most positively that I ever saw you or knew of your existence until yesterday, and never knew of the existence of your firm until I was appointed a member of the committee, and have never yet in my life put my foot in the city of New York.

Senator LODGE. I desire to say that I deny absolutely having dealt with such sugar stocks through Moore & Schley, or through any other firm of brokers, and request and insist that the witness testify in that particular as to me; and I now ask the question.

The CHAIRMAN. I assume, in Senator Lindsay's absence, to make the same request for every member of the committee. I certainly would make the same statement that Senator Brice has made, and I make the same statement as applicable to myself, precisely, of denial of buying or selling anyone of the industrial stocks or any other stocks of any kind.

Senator ALLEN. Every member of this committee, Mr. Chapman, makes this request of you.

Mr. CHAPMAN. I request that I be given time to consider the matter before being asked to answer that question.

The CHAIRMAN. When Senator Brice was mentioned this morning, you spoke of being embarrassed.

Mr. CHAPMAN. Because of its being in violation of the general principles that I have laid down in answer to the question of the committee.

The CHAIRMAN. What induced you to violate that principle?

Mr. CHAPMAN. As I before stated, the request was here over the signature of the Senator and I felt as though the circumstances warranted my making that exception.

Senator ALLEN. Mr. Chapman, if each member of this committee had framed a request in writing, the same in substance as Senator Brice's, would you then have answered as to them?

Mr. CHAPMAN. I probably would, but I would like opportunity to consider the matter before definitely answering.

Senator LODGE. Is your objection to complying with our personal request just made to you that we did not put it in writing?

Mr. CHAPMAN. No, it is not.

Senator ALLEN. You give it the same force you do Senator Brice's, notwithstanding ours is verbal and his is in writing?

Mr. CHAPMAN. Yes, sir.

Senator ALLEN. Mr. Chapman, you may consider my name subscribed to Senator Brice's letter, and I now request and insist that you answer, as to me, the question you declined to answer.

Mr. CHAPMAN. I would beg the indulgence of the committee to consider the matter before answering.

Senator LODGE. What reason, if any, have you for making a distinction between our request and that of Senator Brice?

Mr. CHAPMAN. None, except that in the case of Senator Brice I have personally taken the responsibility of answering, without consultation with my partners, and before answering the question I would prefer to have that consultation.

The CHAIRMAN. Would you have answered the question in regard to Senator Brice, if you had thought you would be asked the same question in regard to every other Senator?

Mr. CHAPMAN. I don't think I would.

Senator DAVIS. Is not the reason of your refusal as to the members of the committee this, that if the same request were made to you by all the Senators, and you should accede to it and testify truthfully, by a process of exclusion you would reveal what Senators are upon your books as speculating in sugar stocks since the first of February, 1894?

Mr. CHAPMAN. I will have to decline to answer that question.

Senator ALLEN. Did you make a distinction between Senator Brice and the members of this committee who have made the same request of you, upon the idea that Senator Brice was known to be a speculator in stocks, to some extent, and members of the committee not?

Mr. CHAPMAN. No, I did not. Senator Brice has been charged in the public press with being a speculator in the stock of the American

Sugar Refining Company, and I am not aware that any member of this committee has been so charged.

Senator LODGE. You know that other United States Senators aside from Senator Brice have been charged with speculating in sugar stock, don't you?

Mr. CHAPMAN. In the public press, yes.

Senator LODGE. Yes; in the public press. And you may state who they are who have been charged in the public press, as you have seen, as dealers in those stocks during the pendency of the bill.

Mr. CHAPMAN. I do not know that I could name them.

Senator LODGE. You can name some of them, can not you, besides Senator Brice? I am speaking now about those who have been charged in the public press with dealing in sugar stock, dabbling in sugar stocks, whatever you call it, not confining it to your firm at all.

Mr. CHAPMAN. I hardly think I could testify upon that question, as I do not know that their names are specially impressed upon my mind.

Senator LODGE. Have you conversed with any United States Senator since you were dismissed yesterday and before you came back this morning?

Mr. CHAPMAN. I decline to answer that question.

Senator LODGE. Well, upon what ground do you decline to answer it?

Mr. CHAPMAN. Upon the general ground that the committee is not authorized to ask it.

Senator LODGE. Does that concern your business? You speak of the privilege of your business confidence.

Mr. CHAPMAN. It might or it might not.

Senator LODGE. Mr. Chapman, you decline to answer our question in regard to Senators and state very explicitly a plausible ground of refusal, that these were business confidences and that your firm felt that they could not properly disclose the names. You are now asked whether you have conversed with any Senator, outside of this committee, since you arrived in Washington and since your dismissal yesterday and before your return this morning. You decline to answer that. It certainly can not be on the ground that it would tend to criminate you, and you are now asked whether it is on the ground that you have previously alleged, that it would be a disclosure of your business transactions?

Mr. CHAPMAN. It is such a disclosure of my private affairs as, in my judgment, is not warranted by the scope of the inquiry of this committee.

Senator ALLEN. Mr. Chapman, was the conversation you had with any Senator since your dismissal here yesterday and your return this morning, with reference to anything pertaining to the business of your firm or in connection with your firm?

Mr. CHAPMAN. I have not stated that I have had any conversation.

Senator ALLEN. I will ask you if you did have any conversation with any United States Senator upon any subject since your dismissal yesterday as a witness and before your return here this morning?

Mr. CHAPMAN. I decline to answer that question.

Senator ALLEN. Upon what grounds do you decline to answer that question?

Mr. CHAPMAN. Upon the same ground as my declination to answer the previous one.

Senator ALLEN. Did you meet at a hotel or at any private room or place and engage in conversation with any United States Senator from the time you were dismissed yesterday until you returned as a witness this morning?

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Is it because you did meet some Senator that you decline?

Mr. CHAPMAN. I decline for the reason just stated.

Senator ALLEN. The reason just stated is that it would be disclosure of your business transactions—that whatever conversation you may have had during this period since yesterday would be disclosure of your private affairs which you think the committee has no right to inquire about?

Mr. CHAPMAN. That is it.

Senator LODGE. Did you consult counsel after leaving us, Mr. Chapman?

Mr. CHAPMAN. I did.

Senator LODGE. Who was that counsel?

Mr. CHAPMAN. Suppose I answer the question in this way: I consulted one of the leading members of the bar of the District of Columbia, but I do not know whether—I do not think without his consent, I ought at this time to name him in this examination.

Senator ALLEN. I will put you this question: Did you, after your dismissal yesterday as a witness here and before your return this morning, have any conversation with any United States Senator with reference to any business he might have transacted through your firm in speculating in what are known as sugar stocks during the consideration of the present pending tariff bill in the United States Senate?

Mr. CHAPMAN. I decline to answer that question.

Senator ALLEN. You decline to answer that. Did you meet, socially or in a business way, any United States Senator in this city during hat time?

Mr. CHAPMAN. I shall have to decline to answer.

Senator ALLEN. You decline to answer that. Since your dismissal yesterday, have you received instructions from your firm as to your conduct here as a witness as to what you shall disclose and what you shall not disclose?

Mr. CHAPMAN. I have received communications by wire from individual members of my firm.

Senator ALLEN. Did you have any communication any other way, in any other form, than by wire?

Mr. CHAPMAN. No; I did not.

Senator ALLEN. Have you in your possession now the messages that you received from your firm upon that subject?

Mr. CHAPMAN. I have.

Senator ALLEN. Will you produce them?

Mr. CHAPMAN. I decline.

Senator ALLEN. You decline to produce them; upon what ground do you decline?

Mr. CHAPMAN. Because they relate to the personal affairs of my firm and are not within the scope of the inquiry of this committee.

Senator ALLEN. Were they cipher messages or open messages written in full language?

Mr. CHAPMAN. Partly cypher and partly——

Senator ALLEN. Do these messages disclose the name of any United States Senator?

Mr. CHAPMAN. I decline to state.

Senator ALLEN. You decline to state upon the ground that it would reveal some Senator as a dealer in stocks through your firm?

Mr. CHAPMAN. Not at all. Upon the ground that it is an unwarranted inquiry into the private affairs of our firm.

Senator ALLEN. These messages, I understand you, Mr. Chapman, were in reference to your testimony here as a witness before this investigating committee, were they not?

Mr. CHAPMAN. Partially so.

Senator ALLEN. Have you any objection to producing and reading in the presence of the committee that portion of those messages referring to your conduct as a witness before this committee?

Mr. CHAPMAN. I have.

Senator ALLEN. Do these messages instruct you what you shall testify to and what you shall not disclose?

Mr. CHAPMAN. They relate to the general policy to be pursued in giving my testimony.

Senator ALLEN. Before this committee?

Mr. CHAPMAN. Yes. They outline the general policy I shall pursue.

Senator LODGE. Since you left this committee have you seen and talked with Mr. Macartney, or any member of the firm of Corson & Macartney, in this city?

Mr. CHAPMAN. I have.

Senator LODGE. They are your correspondents here, are they not? Did you consult with them in regard to this investigation?

Mr. CHAPMAN. I have had some general conversations with Mr. Macartney on this subject.

Senator LODGE. In regard to your business or private affairs?

Mr. CHAPMAN. Yes, sir.

Senator LODGE. You have now, Mr. Chapman, testified to the committee, without objection, that you met Mr. Macartney, a member of that firm, and talked with him in regard to the investigation and your private and business affairs. You still decline to say whether you talked with any Senator?

Mr. CHAPMAN. I do.

Senator LODGE. You have no objection, then, to stating that you met persons other than Senators, and you do not plead the privilege of your private affairs, but you object to testifying whether or not you met and talked with Senators.

Mr. CHAPMAN. My business headquarters when in Washington are at the office of Corson & Macartney, and the fact that I conversed with Mr. Macartney, our correspondent, I stated; but I do not feel called upon to testify as to other parties.

Senator LODGE. Why do you draw a distinction between conversation with Mr. Macartney about your private affairs and conversation with Senators?

Mr. CHAPMAN. I have not testified as to conversations, but only to the fact that I held a conversation with Mr. Macartney.

Senator LODGE. That is all I have asked you in regard to Senators. I had not asked what you said to Senators. I asked you whether you conversed with any Senators, the same question which I asked you in regard to Mr. Macartney.

Mr. CHAPMAN. I shall decline to answer that question, as before.

Senator LODGE. You decline to state why you are ready to testify that you met Mr. Macartney and why you decline to testify whether or not you met Senators?

Mr. CHAPMAN. I do.

Senator LODGE. On what grounds do you place your declination in the one case and your readiness to admit the conversation in the other?

Mr. CHAPMAN. On the ground before stated.

Senator LODGE. That is what?

Mr. CHAPMAN. The closeness of our relations with Mr. Macartney and the fact that it is well known that his office is my headquarters.

Senator LODGE. And that is your only reason for declining to answer when you are asked if you met any Senators?

Mr. CHAPMAN. I before stated why I declined to answer as to——

Senator LODGE. You said, if I remember, that you declined to answer in regard to meeting Senators because you considered that that concerned your private affairs. You since testified that you met Mr. Macartney and talked about private affairs and you make no objection to testifying to the fact of the conversation, not what was said. The point I desire to bring out is why you should be willing to testify to meeting a gentleman with whom you had entirely private conversation, in the one case, and refuse to testify about meeting or not meeting other gentlemen. Of course, if you can not give an answer to that, Mr. Chapman, so state.

Mr. CHAPMAN. I do not know that I can answer.

The CHAIRMAN. Mr. Chapman, you were asked awhile ago by Mr. Davis questions that were repeated by each member of the committee present, and I will ask you again as to Mr. Davis's several questions, which may be considered as repeated by every member of the committee as to himself, what your answer is to be, Mr. Davis's questions, in substance, being that he authorized, requested, and insisted that you should disclose whether he had any transactions in sugar stock through your firm during the period mentioned, or at any other time, and coupled with a statement similar to that of Mr. Brice that he had not, either directly or indirectly, bought or sold any such stock through your firm, or any other firm, or in any other way at any time, each of which statements was also made by each member of the committee for himself?

Senator DAVIS. And you are requested to answer this question as to each member of the committee separately.

Mr. CHAPMAN. Before answering that question I desire time to consider the matter.

The CHAIRMAN. How long do you want, Mr. Chapman?

Mr. CHAPMAN. I will appear before the committee on Monday morning.

The CHAIRMAN. That will not do, I do not think.

Senator DAVIS. I am disposed to insist upon an immediate answer to this question.

The CHAIRMAN. Do you make that motion?

Senator DAVIS. I do. I move that the witness be required to answer forthwith.

The CHAIRMAN. Is that the sense of the committee?

Senator ALLEN. That is my vote.

Senator LODGE. That is my vote.

The CHAIRMAN. It is the sense of the committee. The committee insists that that question shall be given to you; does not think that your request for time to consider is reasonable and would like to have an answer.

Mr. CHAPMAN. As before stated, I am but one of five partners constituting the firm of Moore & Schley, and I think, under all the circumstances, it is but reasonable that I should be given an opportunity to communicate with my partners before answering this question, and I ask the courtesy of the committee to that extent.

The CHAIRMAN. Is that your answer? Do you decline to answer the question otherwise than that? The committee has already passed upon

the matter of giving time for the purpose of consultation or consideration.

Mr. CHAPMAN. It is now 1:15. Business closes in New York on Saturdays at 12 o'clock. It would be impossible for me to communicate with my partners and receive a reply before Monday morning, as they are probably now all in the country and the office is probably closed. Under all these circumstances I still insist that my request is reasonable and I trust the committee will coincide with my view.

Senator ALLEN. You still decline to answer the question?

Mr. CHAPMAN. I do.

Senator LODGE. I want to ask one other question on the line upon which I was asking before. When you had the conversation with Mr. Macartney, in regard to which you testified, were any Senators present?

Mr. CHAPMAN. That I decline to answer.

Senator ALLEN. Right there, Mr. Chapman; did you see any Senator go into or out of the office of Mr. Macartney yesterday or this morning?

Mr. CHAPMAN. I decline to answer that.

Senator ALLEN. Or see any there in conversation?

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. You decline to answer that. Did you have any conversation yourself with any Senator there?

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Let me ask if there has not been a systematic, organized attempt upon the part of yourself and upon the part of the members of your firm and others connected with or engaged in the same line of business to studiously suppress the names of all Senators who have been speculating in these sugar stocks during this time?

Mr. CHAPMAN. I am not aware of such organized attempt.

Senator ALLEN. Was not your conversation in the presence of a United States Senator yesterday and this morning also to that effect, and that you, under no circumstances, should disclose the name of any of the Senators?

Mr. CHAPMAN. I have not testified to any conversation with Mr. Macartney in the presence of a United States Senator.

Senator ALLEN. You decline to say that there was a United States Senator there. The committee therefore infers that there was a United States Senator there, and upon that supposition I am asking you to state if it were not determined among you at that time that you should under no circumstances disclose before the committee the name of any Senator who has dealt in these stocks through your firm during the period we have mentioned here?

Mr. CHAPMAN. I decline to state to the committee. I decline to rehearse to the committee any conversations I may have had with Mr. Macartney or other parties.

Senator ALLEN. Now, do not the dispatches and communications you have received from the members of your firm since you have been here impress upon you the necessity of studiously secreting the names of all United States Senators who may have dealt in these stocks through your firm? Is not that the central idea of the dispatches and communications you have received and the conversations that have been had with you?

Mr. CHAPMAN. I decline to reveal the contents of any dispatches I may have received.

Senator ALLEN. Did not this conversation you had with Mr. Macartney, of which you speak, since your dismissal as a witness yesterday,

relate to your testimony here and the necessity of your secreting the names of Senators who may have dealt with your firm either here or in New York?

Mr. CHAPMAN. I decline to state.

Senator ALLEN. You decline to state that. Was that subject under discussion between you and Mr. Macartney?

Mr. CHAPMAN. I decline to state.

Senator LODGE. Have you a private wire from that office over to your office in New York?

Mr. CHAPMAN. Yes.

Senator ALLEN. What is your part of the business of Moore & Schley? What part do you attend to when you are in New York engaged in business?

Mr. CHAPMAN. All parts.

Senator ALLEN. I do not know anything about the stock exchange. Do you attend meetings of the stock exchange?

Mr. CHAPMAN. I am a member of the stock exchange. I am not on the floor of the stock exchange continuously. One of our partners, Mr. William H. Duff, is also a member of the stock exchange. He is always upon the floor, or is generally upon the floor, and I am occasionally.

Senator ALLEN. You are, a part of the time?

Mr. CHAPMAN. Occasionally.

Senator ALLEN. The man who is on the floor of the stock exchange, what particular name do you give him? He is what—operator? or what is he named?

Mr. CHAPMAN. Well, he is the board-room member of the firm.

Senator ALLEN. The board-room member of the firm?

Mr. CHAPMAN. He is on the board all the time.

Senator ALLEN. You do that business part of the time and are at the meetings of the stock exchange frequently, are you not?

Mr. CHAPMAN. I am frequently on the floor.

Senator ALLEN. You know the members of the stock exchange, those who own seats there?

Mr. CHAPMAN. I know a great many of them.

Senator ALLEN. Do you know the name of any United States Senator who owns a seat on the stock exchange?

Mr. CHAPMAN. I do not recollect any; I do not know of any.

Senator ALLEN. You do not know of any. Have you in your possession at this moment any written communication from any United States Senator bearing upon the subject now under investigation, received to-day or yesterday, or at any time prior to that?

Mr. CHAPMAN. I have not, but I do not know but answering this question is a violation of the rule I have laid down.

Senator ALLEN. Have you received, since you have been in this city to testify before this committee, any written communication in any form, dispatch, letter, note, or memorandum, from any United States Senator, bearing in any manner upon this investigation or that has relation to it, or to what you shall testify when you are here?

Mr. CHAPMAN. I have not; but I deny your right to question me upon this subject.

Senator ALLEN. Have you destroyed any such communication, note, memorandum, letter, or dispatch?

Mr. CHAPMAN. I make the same answer as to the last question.

Senator ALLEN. Mr. Chapman, you say you have a private wire from Washington to New York at your office. Is there any person in

the employment of the United States Government at Washington who furnishes you information as to the probable passage or defeat of measures before Congress?

Mr. CHAPMAN. Not to my knowledge.

Senator ALLEN. Not to your knowledge. Are there any persons in the service of the United States Government now as officers, outside of United States Senators, who are engaged in dealing in these stocks through your firm?

Mr. CHAPMAN. I decline to answer that question.

Senator ALLEN. You decline to answer that. All right, sir. That is all.

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53D CONGRESS, 2d Session. } SENATE. { REPORT No. 485.

IN THE SENATE OF THE UNITED STATES.

JUNE 21, 1894.—Ordered to be printed.

Mr. DAVIS, from the Special Committee to Investigate Attempts at Bribery, etc., submitted the following

REPORT:

The special committee, under and in pursuance of a resolution of the Senate of May 17, A. D. 1894, as follows:

Whereas it has been stated in the Sun, a newspaper published in New York, that bribes have been offered to certain Senators to induce them to vote against the pending tariff bill; and

Whereas it has also been stated in a signed article in the Press, a newspaper published in Philadelphia, that the sugar schedule has been made up as it now stands in the proposed amendment in consideration of large sums of money paid for campaign purposes of the Democratic party: Therefore

Resolved, That a committee of five Senators be appointed to investigate these charges and to inquire further whether any contributions have been made by the sugar trust, or any person connected therewith, to any political party for campaign or election purposes or to secure or defeat legislation, and whether any Senator has been or is speculating in what are known as sugar stocks during the consideration of the tariff bill now before the Senate, and with power to send for persons and papers to administer oaths.

Resolved further, That said committee be authorized to investigate and report upon any charge or charges which may be filed before it alleging that the action of any Senator has been corruptly or improperly influenced in the consideration of said bill, or that any attempt has been made to so influence legislation.

have attended to their duties so far as they have been able, but in certain respects have been prevented by reason of the matters hereinafter stated, and ask leave to report in part as follows:

In pursuance of said resolution the said committee met in the Capitol on the 21st day of May, 1894, at 10 o'clock a. m., and, after the examination of certain matters embraced in the first paragraph of the said resolution, the committee proceeded to investigate further the matters submitted to them by the said resolution, and on the 12th day of June, A. D. 1894, the committee being duly assembled, one Henry O. Havemeyer, who had been duly subpœnaed and summoned as a witness to appear before said committee, then and there appeared and submitted to be examined as a witness. The witness was duly sworn by the chairman of said committee.

After certain testimony had been given by him his examination was, at his request, continued until the 13th day of June, A. D. 1894, at which date he appeared, and the testimony of the said Henry O. Havemeyer having been resumed, further proceedings were had before the committee, and the following testimony was taken, in the course of which he was asked certain questions, to which questions he made the following answers and refusals to answer:

Senator ALLEN. Had you or the sugar-refining company contributed any to the campaign fund in New York last year?

Mr. HAVEMEYER. I will have to look that up.

Senator ALLEN. I understand New Jersey is invariably a Democratic State. It would naturally go to the Democratic party?

Mr. HAVEMEYER. Under the theory I have suggested if they were there it would naturally go to them.

Senator ALLEN. What, in round numbers, is the amount annually contributed by the American Sugar Refining Company to the different political parties for campaign purposes?

Mr. HAVEMEYER. There is no fixed amount. I could not guess at it.

Senator ALLEN. Does it amount to $100,000?

Mr. HAVEMEYER. Oh, no.

Senator ALLEN. Did the American Sugar Refining Company contribute anything in 1892 toward securing the nomination of any particular individual to the office of President of the United States?

Mr. HAVEMEYER. Nothing in a national shape in any manner, shape, or form.

Senator ALLEN. Did you contribute to what is known as the "Anti-Snapper Fund?"

Mr. HAVEMEYER. No, sir.

Senator ALLEN. You did not contribute to that at all?

Mr. HAVEMEYER. There is no doubt about positiveness on that point.

Senator ALLEN. In the State of California, did you contribute to the campaign fund of the Democratic or Republican party there?

Mr. HAVEMEYER. I know nothing about that.

Senator ALLEN. That is the Western Refining Company, in which you have a half interest. Does that contribute anything?

Mr. HAVEMEYER. I know nothing about that.

Senator ALLEN. In the State of Louisiana you contribute, however, do you not?

Mr. HAVEMEYER. I know nothing about that.

Senator ALLEN. Who would know about Louisiana and California?

Mr. HAVEMEYER. I believe Mr. Spreckels is the president of the Western refinery.

Senator ALLEN. And this money that you contribute to these different parties for campaign purposes——

Mr. HAVEMEYER. Local campaign purposes.

Senator ALLEN. Certainly; local campaign purposes—that money comes out of the corporation of the sugar refining company?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. And is a part of the expenses of the company?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. Charged up on your books as expenses?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. And the books of your refining company would show the amount of money which you have annually contributed to the respective political parties and the State in which it was contributed, and the party to which it was contributed, would they not?

Mr. HAVEMEYER. I don't think it shows in that form.

Senator ALLEN. How would it show—as so much money?

Mr. HAVEMEYER. It would show that a payment was made, and that payment would have to be explained by the party who made it.

Senator ALLEN. Made to some particular individual?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. He would have to render an account, which would not go upon the books, as to the manner in which that money was expended?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. Why should the American Sugar Refining Company contribute to either of the political parties in the State of New York?

Mr. HAVEMEYER. We have large interests in this State; police protection and fire protection. They need everything that the city furnishes and gives, and they have to support these things. Every individual and corporation and firm, trust, or whatever you call it, do these things, and we do them.

Senator ALLEN. And you contribute to both parties with the expectation of whichever party succeeds your interests will be guarded?

Mr. HAVEMEYER. We have a good deal of protection for our contribution.

Senator ALLEN. You expect protection from whichever party succeeds?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. Do you expect that simply from the Democratic party?

Mr. HAVEMEYER. We expect protection from the police and fire department and anything that the State local organization can give.

Senator ALLEN. Therefore you feel at liberty to contribute to both parties?

Mr. HAVEMEYER. It depends. In the State of New York, where the Democratic majority is between 40,000 and 50,000, we throw it their way. In the State of Massachusetts, where the Republican party is doubtful, they probably have the call.

Senator ALLEN. In the State of Massachusetts do you contribute anything?

Mr. HAVEMEYER. Very likely.

Senator ALLEN. What is your best recollection as to contributions made by your company in the State of Massachusetts?

Mr. HAVEMEYER. I could not name the amount.

Senator ALLEN. However, in the State of New York you contribute to the Democratic party, and in the Commonwealth of Massachusetts you contribute to the Republican party?

Mr. HAVEMEYER. It is my impression that wherever there is a dominant party, wherever the majority is very large, that is the party that gets the contribution, because that is the party which controls the local matters.

Senator ALLEN. Then, the sugar trust is a Democrat in a Democratic State, and a Republican in a Republican State?

Mr. HAVEMEYER. As far as local matters are concerned, I think that is about it.

Senator ALLEN. In the State of Maine you control the refinery at Portland, do you not?

Mr. HAVEMEYER. That is defunct. We would not give anything to the State of Maine.

Senator ALLEN. In the State of Pennsylvania where do your contributions go?

Mr. HAVEMEYER. I will have to look that up.

Senator ALLEN. Pennsylvania is a Republican State and your contributions probably go to the Republican party, do they not?

Mr. HAVEMEYER. It would be a local matter. If Philadelphia was——

Senator ALLEN. In the State of your nativity, or the nativity of your corporation, New Jersey, where do your contributions go?

Mr. HAVEMEYER. I will have to look that up.

Senator ALLEN. I understand New Jersey is invariably a Democratic State. It would naturally go to the Democratic party?

Mr. HAVEMEYER. Under the theory I have suggested if they were there it would naturally go to them.

Senator ALLEN. What, in round numbers, is the amount annually contributed by the American Sugar Refining Company to the different political parties for campaign purposes?

Mr. HAVEMEYER. There is no fixed amount. I could not guess at it.

Senator ALLEN. Does it amount to $100,000?

Mr. HAVEMEYER. Oh, no.

Senator ALLEN. Did the American Sugar Refining Company contribute anything in 1892 toward securing the nomination of any particular individual to the office of President of the United States?

Mr. HAVEMEYER. Nothing in a national shape in any manner, shape, or form.

Senator ALLEN. Did you contribute to what is known as the "Anti-Snapper Fund?"

Mr. HAVEMEYER. No, sir.

Senator ALLEN. You did not contribute to that at all?

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Senator ALLEN. In the State of California, did you contribute to the campaign fund of the Democratic or Republican party there?

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Mr. HAVEMEYER. I believe Mr. Spreckels is the president of the Western refinery.

Senator ALLEN. And this money that you contribute to these different parties for campaign purposes——

Mr. HAVEMEYER. Local campaign purposes.

Senator ALLEN. Certainly; local campaign purposes—that money comes out of the corporation of the sugar refining company?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. And is a part of the expenses of the company?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. Charged up on your books as expenses?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. And the books of your refining company would show the amount of money which you have annually contributed to the respective political parties and the State in which it was contributed, and the party to which it was contributed, would they not?

Mr. HAVEMEYER. I don't think it shows in that form.

Senator ALLEN. How would it show—as so much money?

Mr. HAVEMEYER. It would show that a payment was made, and that payment would have to be explained by the party who made it.

Senator ALLEN. Made to some particular individual?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. He would have to render an account, which would not go upon the books, as to the manner in which that money was expended?

Mr. HAVEMEYER. He would have to expend it in conformity with the instructions of the board.

Senator ALLEN. The manner in which he did expend it actually would not appear upon your books?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. Have you been in the habit of expending any money in connection with State legislatures?

Mr. HAVEMEYER. You mean in the campaign of the State? You do not mean in the legislature itself?

Senator ALLEN. I mean in influencing State legislation.

Mr. HAVEMEYER. Oh, never. We have contributed to local campaign parties, but never in the way of influencing legislation, and we never contribute with any obligation.

Senator LODGE. I will ask you whether any money has been contributed by the sugar trust or any member of the sugar trust toward securing or aiding the election of any United States Senator?

Mr. HAVEMEYER. None whatever.

Senator ALLEN. Can you ascertain the amount?

Mr. HAVEMEYER. I can if I apply to the books.

Senator ALLEN. Will you do it?

Mr. HAVEMEYER. If it is the order of this committee I will do anything.

Senator ALLEN. That is, as to each of the different States in which money has been contributed?

Mr. HAVEMEYER. If that is the order of the committee, I will get it.

Senator ALLEN. So far as I am concerned, I request of the witness, Mr. Havemeyer, to produce full data as to all money contributed by the American Sugar Refining Company, or any of its officers on its account or in its interest, in the different States of the Union, in 1892 and 1893, for political purposes of any political party, whether national, State, or local.

Mr. HAVEMEYER. As to national, I will answer now, no; there is none. As to others, there is.

(The request of Senator Allen was granted by the committee, and Mr. Havemeyer asked an opportunity to consult his counsel before furnishing the data called for.)

WASHINGTON, D. C., *June 13, 1894.*

The committee met pursuant to adjournment.

Present: Senator Gray (the chairman), and Senators Lindsay, Davis, Lodge, and Allen.

SWORN STATEMENT OF H. O. HAVEMEYER—Continued.

The CHAIRMAN. Now, Mr. Havemeyer, you have stated that you wish to make a statement of some kind.

Mr. HAVEMEYER. It is in relation to the answer that I am to make to that last interrogatory.

The CHAIRMAN. Have you a copy of it with you?

Mr. HAVEMEYER. Yes, sir [handing a paper to the chairman].

The CHAIRMAN. The interrogatory is as follows:

Senator ALLEN. So far as I am concerned, I request of the witness, Mr. Havemeyer, to produce full data as to all money contributed by the American Sugar

Refining Company, or any of its officers, on its account or in its interest, in the different States of the Union in 1892 or 1893, for political purposes, to any political party, whether national, State, or local.

Mr. HAVEMEYER. While I am perfectly willing to answer any material matters, under advice of counsel I decline to answer about outside matters. I decline to answer about local contributions. I know of nothing given to the national campaign. There exists no bargain of any nature, and never claimed that the company was entitled to anything except what its merits required.

The CHAIRMAN. Is that the answer you desire to make to this question?

Mr. HAVEMEYER. That is the answer.

* * * * * * *

Senator ALLEN. Since your examination yesterday you have consulted counsel as to the propriety of answering questions with reference to divulging the amount of money that you paid for election purposes in the different States?

Mr. HAVEMEYER. As to making any answer.

Senator ALLEN. And in declining to answer the question put to you I observed that you read your answer from a piece of paper?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. Was that answer prepared by you or by your counsel?

Mr. HAVEMEYER. By me.

Senator ALLEN. Under the direction of your counsel?

Mr. HAVEMEYER. No, sir; under the advice of counsel.

Senator ALLEN. I do understand you, however, to say and repeat, that in States where you have a financial interest, at least where the sugar refining company has an interest as refiners, you do contribute to either the Democratic or Republican party as one or the other may be in the ascendency in that State?

Mr. HAVEMEYER. We do for local and State purposes, but not national.

Senator ALLEN. You never contribute to the campaign fund of a party in the minority?

Mr. HAVEMEYER. We may; I will not say we do not.

Senator ALLEN. Your policy, however, is to stand in with the ruling power?

Mr. HAVEMEYER. Not to "stand in," but to contribute to the campaign expenses of that party, for the reason that they, being in power and control, it could give us the protection we should have.

Senator ALLEN. And by that means you placate——

Mr. HAVEMEYER. Oh, no; there is no placation or obligation at all; nothing more than we consider the proper thing to do; everybody does it.

Senator ALLEN. Does any other corporation in these same States do the same thing, that you know?

Mr. HAVEMEYER. I understand every individual, corporation, and firm in existence do it in their respective States.

Senator ALLEN. So the American Sugar Refining Company's politics, so far as its contributions to the campaign fund is concerned, is controlled by the political complexion of the State in which it happens to have a particular refinery?

Mr. HAVEMEYER. The American Sugar Refining Company has no politics of any kind.

Senator ALLEN. Only the politics of business?

Mr. HAVEMEYER. Only the politics of business.

Senator LINDSAY. You say the company is separate and distinct from the officers and stockholders; each man has his own politics?

Mr. HAVEMEYER. We have nothing to do with politics in any shape or manner. Our business is the refining of sugar at a slight profit that is consistent with a reasonable return on the industry.

A copy of the subpœna by which said witness was commanded to appear and testify before the committee at the time and place aforesaid, together with a copy of the certificate of service thereof, is hereto attached and marked Exhibit A:

UNITED STATES OF AMERICA,
Congress of the United States

To Henry O. Havemeyer, greeting:

Pursuant to lawful authority, you are hereby commanded to appear before the special committee, appointed May 17th, 1894, of the Senate of the United States forthwith, 1894, at the committee room, Privileges and Elections, U. S. Senate, then and there to testify what you may know relative to the subject-matters under consideration by said committee.

Hereof fail not, as you will answer your default under the pains and penalties in such cases made and provided.

To Richard J. Bright, Sergeant-at-Arms of the Senate of the United States, to serve and return.

Given under my hand, by order of the committee, this 6th day of June, in the year of our Lord one thousand eight hundred and ninety-four.

GEO. GRAY
Chairman Special Committee.

SENATE OF THE UNITED STATES,
Office of the Sergeant-at-Arms.

I do appoint and hereby empower B. W. Layton to serve this subpœna, and to exercise all the authority in relation thereto with which I am vested by the within order.

R. J. BRIGHT,
Sergeant-at-Arms of the Senate of the United States.

WASHINGTON, D. C., *June 7, 1894.*

I made service of the within subpœna through my deputy, B. W. Layton, by the within-named Henry O. Havemeyer, at No. 117 Wall st., New York City, at 11:30 o'clock a. m., on the seventh day of June, 1894.

R. J. BRIGHT,
Sergeant-at-Arms, Senate of the U. S.

In the opinion of the committee each of the questions put to said witness was a proper question and pertinent to the question under inquiry before the committee, and was necessary to make the examination ordered by said resolution of the Senate, and that said witness is in contempt of the Senate and merits to be dealt with for his misconduct; and that said witness, by his various refusals to answer the questions as herein set forth, has violated the provisions of that certain act of Congress in such cases made and provided, being chapter 7 of the Revised Statutes of the United States, which chapter is as follows:

SEC. 102, Rev. Stat. Every person who, having been summoned as a witness by the authority of either House of Congress to give testimony or to produce papers upon any matter under inquiry before either House, or any committee of either House of Congress, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the question under inquiry, shall be deemed guilty of a misdemeanor, punishable by a fine of not more than one thousand dollars nor less than one hundred dollars, and imprisonment in a common jail for not less than one month nor more than twelve months.

SEC. 103. No witness is privileged to refuse to testify to any fact or to produce any paper respecting which he shall be examined by either House of Congress, or by any committee of either House, upon the ground that his testimony to such fact or his production of such paper may tend to disgrace him or otherwise render him infamous.

SEC. 104. Whenever a witness summoned, as mentioned in section one hundred and two, fails to testify, and the facts are reported to either House, the President of the Senate or the Speaker of the House, as the case may be, shall certify the fact under the seal of the Senate or House to the district attorney for the District of Columbia, whose duty it shall be to bring the matter before the grand jury for their action.

Wherefore, the committee report to the Senate, to the end that the President of the Senate may certify as to said witness his aforesaid failure to testify and his aforesaid refusals to answer, and all the facts herein, under the seal of the Senate, to the United States district attorney for the District of Columbia, in order that said witness may be proceeded against in manner and form provided by law.

C. K. DAVIS,
H. C. LODGE,
WM. V. ALLEN,
Committee.

ADDITIONAL REPORT OF MR. ALLEN, OF THE COMMITTEE.

In addition to the above recommendation of the committee regarding the witness Henry O. Havemeyer, I have to say that I think he ought to be brought to the bar of the Senate and be required to there purge himself of the contempt of which he is guilty, or be summarily punished for refusing to do so.

I therefore recommend the adoption of the following resolution by the Senate:

Whereas Henry O. Havemeyer, a witness, was heretofore duly summoned by a select committee of the Senate, and being lawfully required to testify before said committee, has, as appears by the report of said committee, refused to answer pertinent and material questions propounded to him by said committee: Therefore,

Resolved, That the President of the Senate issue his warrant in due form under his hand and the seal of the Senate, directed to the Sergeant-at-Arms of the Senate, commanding him forthwith to arrest and bring to the bar of the Senate the body of said Henry O. Havemeyer, to show cause why he should not be punished for contempt, and in the meantime to keep the said Havemeyer in custody to await the further order of the Senate.

Respectfully submitted.

WM. V. ALLEN.

VIEWS OF THE MINORITY.

The undersigned members of the committee, being unable to agree with the majority in the report made by them to the Senate in the case of the witness Henry O. Havemeyer, deem it proper to state the ground of their dissent.

The resolution of the Senate under which the committee has been prosecuting this investigation directs it to inquire, among other things, "whether any contributions have been made by the sugar trust or any person connected therewith, to any political party for campaign or election purposes, or to secure or defeat legislation."

The undersigned do not believe that in our system of Government unlimited power is deposited by the people anywhere, but on the other hand, that limitation of power was conspicuously kept in view by the framers of that Government. They do not feel at liberty, therefore, to impute to the Senate a purpose to pursue ends clearly beyond the scope of its power. Admitting that an inquiry as to whether certain persons have made contributions to any political party to secure or defeat Federal legislation is within the competence of the Senate to make, they deny that it is within such competence to direct an inquiry as to who has contributed to the campaign fund of any political party without reference to the purpose for which the contribution was made.

The undersigned, therefore, in obedience to the principle of the well-established rule that where a construction is possible which brings a law within the enacting power of the legislature, such construction shall obtain, have felt compelled to construe the resolution so as to make the instruction of the Senate to the committee one commanding it to inquire whether any contributions have been made by the sugar trust, or any person connected therewith, to any political party for campaign or election purposes to secure or defeat Federal legislation. As will appear from the evidence of Mr. Havemeyer submitted to the Senate, the question was, in substance, thus put to him and answered in the negative.

It will be observed, from the extracts from the testimony submitted by the majority of the committee, that the witness Havemeyer answered freely and fully all questions as to whether or not contributions had been made by the sugar trust to the national campaign fund of any party, and that the charge of contumacy rests solely upon questions put to him as to the amounts and particulars of contributions which he had testified had been made by the trust for local and State purposes. Therefore the question presented by this report is whether or not the Senate of the United States directed this committee, or had power to direct this committee, to inquire as to what contributions a particular individual or corporation may have made to campaign funds for the conduct of elections, strictly State or local, in the years 1892 and 1893.

It is the opinion of the undersigned that the resolution under which this committee is acting will not admit of the interpretation necessary to support the report of the majority of the committee, and that the said witness has not refused to answer any question that was pertinent to the inquiry with which the committee was, or could have been, properly charged.

GEO. GRAY,
WILLIAM LINDSAY.

53D CONGRESS, 2d Session. } SENATE. { REPORT No. 486.

IN THE SENATE OF THE UNITED STATES.

JUNE 21, 1894.—Ordered to be printed.

Mr. DAVIS, from the Special Committee to Investigate Attempts at Bribery, etc., submitted the following

REPORT:

The special committee, under and in pursuance of a resolution of the Senate of May 17, A. D. 1894, as follows:

Whereas it has been stated in the Sun, a newspaper published in New York, that bribes have been offered to certain Senators to induce them to vote against the pending tariff bill; and

Whereas it has also been stated in a signed article in The Press, a newspaper published in Philadelphia, that the sugar schedule has been made up as it now stands in the proposed amendment in consideration of large sums of money paid for campaign purposes of the Democratic party: Therefore,

Resolved, That a committee of five Senators be appointed to investigate these charges and to inquire further whether any contributions have been made by the sugar trust, or any person connected therewith, to any political party for campaign or election purposes or to secure or defeat legislation, and whether any Senator has been or is speculating in what are known as sugar stocks during the consideration of the tariff bill now before the Senate, and with power to sen l for persons and papers and to administer oaths.

Resolved further, That said committee be authorized to investigate and report upon any charge or charges which may be filed before it alleging that the action of any Senator has been corruptly or improperly influenced in the consideration of said bill, or that any attempt has been made to so influence legislation.

have attended to their duties so far as they have been able, but in certain respects have been prevented by reason of the matters hereinafter stated, and ask leave to report in part as follows:

In pursuance of said resolution the said committee met in the Capitol on the 21st day of May, 1894, at 10 o'clock a. m., and, after the examination of certain matters embraced in the first paragraph of the said resolution, the committee proceeded to investigate further the matters submitted to them by the said resolution, and on the 13th day of June, A. D. 1894, the committee being duly assembled, one John E. Searles who had been duly subpœnaed and summoned as a witness to appear before said committee, then and there appeared and submitted to be examined as a witness. The witness was duly sworn by the chairman of said committee.

In the course of his testimony the said witness was asked certain questions and refused to answer the same. The testimony in the course of which such questions were asked him and such refusals by him made, is as follows:

Senator ALLEN. I will pass that question. I see you and I radically disagree upon that, and probably always will. The American Sugar Refining Company is in the habit of contributing money for campaign purposes to the different political parties, is it not?

Mr. SEARLES. It has done so; yes, sir.

Senator ALLEN. Has it done so each year of its existence?

Mr. SEARLES. I do not know that it has done so each year, but it has done so from time to time.

Senator ALLEN. Did it do so in 1892?

Mr. SEARLES. It did.

Senator ALLEN. In what States?

Mr. SEARLES. I can not enumerate the States.

Senator ALLEN. According to your best recollection, in what States?

Mr. SEARLES. I should not care to testify directly on that point, unless——

Senator ALLEN. The resolution embraces that inquiry.

The CHAIRMAN (to Mr. Searles). Unless what? Finish your sentence.

Mr. SEARLES. Unless it does come within the province of this inquiry. I do not understand that it does.

The CHAIRMAN. It does.

Mr. SEARLES. Kindly show me how it does?

The CHAIRMAN. The resolution under which we are acting reads in this way:

Resolved, That a committee of five Senators be appointed to investigate these charges, and to inquire further whether any contributions have been made by the sugar trust, or any person connected therewith, to any political party for campaign or election purposes, or to secure or defeat legislation.

Mr. SEARLES. In answer to that question with reference to any contributions to secure or defeat legislation, I answer emphatically, no.

Senator ALLEN. You misapprehended the scope of the resolution.

The CHAIRMAN. That is what we want to get at, whether there has been any.

Senator ALLEN. Let me show you where you misapprehend it:

Resolved, That a committee of five Senators be appointed to investigate these charges and to inquire further whether any contributions have been made by the sugar trust, or any person connected therewith, to any political party for campaign or election purposes, or to secure or defeat legislation.

There are several distinct propositions embraced in that.

Mr. SEARLES. There have been no contributions made by the company, to my knowledge, with any view to pending legislation on the sugar question.

The CHAIRMAN. Or to secure or defeat legislation?

Mr. SEARLES. Nor to secure or defeat legislation.

Senator ALLEN. I will ask you, in the language of this resolution, whether any contributions have been made by the sugar trust or any person connected therewith to any political party for campaign purposes?

Mr. SEARLES. Such contributions have been made locally, but with no application, or with no purpose to influence legislation.

Senator ALLEN. In what States have contributions of that kind been made?

Mr. SEARLES. I can not answer definitely on that point.

Senator ALLEN. Have they been made in the State of Massachusetts?

Mr. SEARLES. I am not certain as to that.

Senator ALLEN. Have they been made in the State of New York?

Mr. SEARLES. I think they have.

Senator ALLEN. Have they been made in the State of New Jersey?

Mr. SEARLES. I am not certain as to that.

Senator ALLEN. Have they been made in the State of Pennsylvania?

Mr. SEARLES. Nor am I certain as to that.

Senator ALLEN. In the State of Ohio?

Mr. SEARLES. I have no knowledge of any such.

Senator ALLEN. How are these contributions made? That is, are they made and charged up to the company, or made by some officer or member of the company on behalf the company?

Mr. SEARLES. They have been made by some officer of the company, usually, I think, by its president.

Senator ALLEN. And are charged to the expense account of the company, are they not?

Mr. SEARLES. I think they are.

Senator ALLEN. Would your books show a contribution to the campaign fund of any party?

Mr. SEARLES. No, sir.

Senator ALLEN. How is the entry made upon the books of the company?

Mr. SEARLES. I am not certain as to that. It has been made, I think, an individual matter.

Senator ALLEN. It would be charged to some member of the company?

Mr. SEARLES. I am not certain as to these entries, how they are made.

Senator ALLEN. What officer or member of the company usually disburses the money that is appropriated to campaign purposes?

Mr. SEARLES. I think that what has been done in that direction has usually been done through the president.

Senator ALLEN. Mr. H. O. Havemeyer?

Mr. SEARLES. Yes, sir.

Senator ALLEN. Does he make an account to the board of directors?

Mr. SEARLES. He does.

Senator ALLEN. Is it explained?

Mr. SEARLES. No, sir; there is no explanation.

Senator ALLEN. Just a verbal explanation?

Mr. SEARLES. That is all.

Senator ALLEN. There is no account of that that is carried back on the books after the expenditure of the money, is there?

Mr. SEARLES. I could not say as to how that is.

Senator ALLEN. If Mr. Havemeyer was charged with $100,000 to be expended in donations to political parties for campaign purposes, how would that item be balanced on the books?

Mr. SEARLES. I could not answer that question.

Senator ALLEN. You have access to the books, have you not?

Mr. SEARLES. Yes, sir.

Senator ALLEN. You have noticed these items, have you not?

Mr. SEARLES. I am aware that there are such entries.

Senator ALLEN. You are a member of the board of directors, are you not?

Mr. SEARLES. Yes, sir.

Senator ALLEN. And these matters have come before the board of directors for adjustment, have they not?

Mr. SEARLES. My impression is that they have been reported to the board.

Senator ALLEN. Do you know as a matter of fact that they have?

Mr. SEARLES. I think they have.

Senator ALLEN. What amount was expended by your company in the campaign of 1892?

Mr. SEARLES. I must decline to answer that question.

Mr. SEARLES. I decline to answer that also.

Senator ALLEN. Did you contribute to both of them?

Mr. SEARLES. I also decline to answer that.

Senator ALLEN. Did you contribute to the Populist fund of New York?

Mr. SEARLES. I also decline to answer that.

Senator ALLEN. Or the Prohibition fund, or any other fund?

Mr. SEARLES. I decline to answer as to any fund.

Senator ALLEN. What return did you expect the American Sugar Refining Company to receive for the immense sum of money you put into the campaign fund of 1892 in New York?

Mr. SEARLES. I am not aware of any expectation in that regard.

Senator ALLEN. You do not mean to say you are in the habit of contributing large sums of money to any enterprise without expecting some pecuniary return, do you?

Mr. SEARLES. I have learned long since the truth of the colored man's version on that—"Blessed am dose who expect nuffin, and dey doan't get nuffin."

Senator ALLEN. I appreciate that, but you do not mean to say as a business man and as a business proposition that your corporation would contribute to either the Democratic or Republican party in the State of New York, or any other State, without expecting any return, either directly or indirectly, some pecuniary benefit, do you?

Mr. SEARLES. I mean to say this, that under the existing custom, our corporation, being a corporation which has large property interests, has been called upon to contribute by the political parties and has done so without any definite understanding as to any benefits to be received thereby, but by reason of the property interests of the corporation and of its large representation of capital——

Senator ALLEN. Now, while you had no definite contract or understanding with the managers of the political parties to whom you have contributed, is it not true that you expected favorable consideration from the party that succeeded in getting the control of the national legislation or national affairs—what you call "fair treatment" of your interest?

Mr. SEARLES. I have always believed that we would get, by a proper presentation of our business industry and its needs, fair protection from either party aside from any contributions or anything else.

Senator ALLEN. You realize, I suppose, as I do, that every sane man acts from some motive?

Mr. SEARLES. Yes, sir.

Senator ALLEN. The American Sugar Company's contribution to the campaign fund of 1892 must have been actuated by one of two things, either a high sense of patriotic duty to some political party or the expectation of acquiring some benefit from the contribution when it was made, some pecuniary benefit. Now, which was the motive that inspired you in making that contribution?

Mr. SEARLES. I should say the patriotic duty.

Senator ALLEN. I think that is all I want to ask you, Mr. Searles.

The CHAIRMAN. You were asked whether the contributions that were made by the sugar trust in the campaign of 1892 were actuated by certain motives.

Mr. SEARLES. Yes, sir.

The CHAIRMAN. Assuming that such contributions were made, are you referring now to the contributions which you have said were made locally?

Mr. SEARLES. Precisely.

Senator ALLEN. And did not want to know anything at the time?

Mr. SEARLES. I made no inquiry, if that is what you mean.

Senator ALLEN. What sum did you contribute to the Democratic campaign fund in the State of New York in 1892 that was used for the purpose of conducting the campaign in that State, at which time Cleveland and Harrison were candidates for President of the United States?

Mr. SEARLES. I must decline to answer that question for the reasons stated.

Senator ALLEN. You did contribute some money, did you not?

Mr. SEARLES. I think an amount was contributed. Personally, I have no knowledge what it was now.

Senator ALLEN. And it was charged to the account of the American Sugar Refining Company?

Mr. SEARLES. Charged to the account of the American Sugar Refining Company.

Senator ALLEN. And you decline now to state the amount?

Mr. SEARLES. Yes, sir.

Senator ALLEN. Was it $100,000?

Mr. SEARLES. I decline to state the amount.

Senator ALLEN. Was it over $100,000?

Mr. SEARLES. I decline to say.

Senator ALLEN. Was it less than $100,000?

Mr. SEARLES. I decline to state.

Senator ALLEN. Why do you decline to state?

Mr. SEARLES. Because I do not understand that is within the province of your inquiry.

Senator ALLEN. Do you not decline to state simply because you know it was disreputable and unlawful to contribute this money?

Mr. SEARLES. No, sir; I do not admit anything of the kind.

Senator ALLEN. You think it is perfectly laudable for the American Sugar Refining Company to contribute large sums of money, by the thousands of dollars, for the purpose of influencing elections in this country, do you?

Mr. SEARLES. I have always understood, for many years, that it is the custom of both parties to solicit from corporations and individuals contributions for the carrying on of their political campaigns, and that it is the custom of corporations and individuals to respond to such invitations. And with that understanding, and what I believe to be a general custom, the American Sugar Refining Company has made such contributions at times.

Senator ALLEN. Do you believe it is perfectly proper for a corporation, the value of whose stocks may be affected by national legislation, to contribute its funds to the success or defeat of one political party or the other?

Mr. SEARLES. I think as parties are now managed that is proper.

Senator ALLEN. And the American Sugar Refining Company, as a company, was actuated by a high sense of patriotic duty in contributing this money, I suppose?

Mr. SEARLES. That is a pleasant way of putting it.

Senator ALLEN. Did you contribute to the Democratic fund of New York?

Mr. SEARLES. I decline to answer that question.

Senator ALLEN. Did you contribute to the Republican fund of New York?

Mr. SEARLES. I decline to answer that also.

Senator ALLEN. Did you contribute to both of them?

Mr. SEARLES. I also decline to answer that.

Senator ALLEN. Did you contribute to the Populist fund of New York?

Mr. SEARLES. I also decline to answer that.

Senator ALLEN. Or the Prohibition fund, or any other fund?

Mr. SEARLES. I decline to answer as to any fund.

Senator ALLEN. What return did you expect the American Sugar Refining Company to receive for the immense sum of money you put into the campaign fund of 1892 in New York?

Mr. SEARLES. I am not aware of any expectation in that regard.

Senator ALLEN. You do not mean to say you are in the habit of contributing large sums of money to any enterprise without expecting some pecuniary return, do you?

Mr. SEARLES. I have learned long since the truth of the colored man's version on that—"Blessed am dose who expect nuffin, and dey doan't get nuffin."

Senator ALLEN. I appreciate that, but you do not mean to say as a business man and as a business proposition that your corporation would contribute to either the Democratic or Republican party in the State of New York, or any other State, without expecting any return, either directly or indirectly, some pecuniary benefit, do you?

Mr. SEARLES. I mean to say this, that under the existing custom, our corporation, being a corporation which has large property interests, has been called upon to contribute by the political parties and has done so without any definite understanding as to any benefits to be received thereby, but by reason of the property interests of the corporation and of its large representation of capital——

Senator ALLEN. Now, while you had no definite contract or understanding with the managers of the political parties to whom you have contributed, is it not true that you expected favorable consideration from the party that succeeded in getting the control of the national legislation or national affairs—what you call "fair treatment" of your interest?

Mr. SEARLES. I have always believed that we would get, by a proper presentation of our business industry and its needs, fair protection from either party aside from any contributions or anything else.

Senator ALLEN. You realize, I suppose, as I do, that every sane man acts from some motive?

Mr. SEARLES. Yes, sir.

Senator ALLEN. The American Sugar Company's contribution to the campaign fund of 1892 must have been actuated by one of two things, either a high sense of patriotic duty to some political party or the expectation of acquiring some benefit from the contribution when it was made, some pecuniary benefit. Now, which was the motive that inspired you in making that contribution?

Mr. SEARLES. I should say the patriotic duty.

Senator ALLEN. I think that is all I want to ask you, Mr. Searles.

The CHAIRMAN. You were asked whether the contributions that were made by the sugar trust in the campaign of 1892 were actuated by certain motives.

Mr. SEARLES. Yes, sir.

The CHAIRMAN. Assuming that such contributions were made, are you referring now to the contributions which you have said were made locally?

Mr. SEARLES. Those are the only contributions made by the company.

The CHAIRMAN. In what States were they made?

Mr. SEARLES. I can not state that definitely.

The CHAIRMAN. Did you make a personal contribution?

Mr. SEARLES. I did.

The CHAIRMAN. To what party?

Mr. SEARLES. In the State of New York.

The CHAIRMAN. To what party?

Mr. SEARLES. Is it within the province of the committee to inquire into my private contributions?

The CHAIRMAN. I simply ask the question, and am not called upon to pass upon it.

Mr. SEARLES. I decline to answer, it being a private matter.

Senator LODGE. Mr. Havemeyer stated yesterday that the sugar refining company contributed money in New York and in Massachusetts. Do you remember any other State in which they contributed?

Mr. SEARLES. I should not attempt to state the States in which contributions were made.

Senator ALLEN. And in New Jersey?

The CHAIRMAN. Have these contributions been made in campaigns prior to 1892, to your knowledge?

Mr. SEARLES. I think so.

Senator LODGE. Do you know whether contributions were made in any Western States?

Mr. SEARLES. I have no knowledge on that point.

The CHAIRMAN. There is a statement here in an article published in the Philadelphia Press, which article was part of the occasion for the formation of this committee, that an appeal was made to these men, meaning the sugar men, for money:

> The subscriptions may have been given as individual contributions, but such gift was a pure fiction if it was made in that way. It was a sugar-trust subscription to the national campaign committee in return for pledges which were afterwards insistently demanded to be redeemed.

Is that true, to your knowledge?

Mr. SEARLES. I know of no such subscription.

The CHAIRMAN—

> The subscription was the magnificent sum of $500,000. And at another place in this article there will be reported a distinct and emphatic admission of this subscription and pledge from one of the highest officers of the Government of the United States.

Do you know of any such subscription to the national campaign committee of either party?

Mr. SEARLES. I know of no such contribution.

The CHAIRMAN. "A part of this money bought Colorado for the Populists." Do you know of any such purchase as that?

Mr. SEARLES. No, sir.

The CHAIRMAN. "A part of it brought about Populist alliances elsewhere."

Mr. SEARLES. I know of no such.

The CHAIRMAN. "A part of it was used in Illinois." Do you know of any such purchase?

Mr. SEARLES. No, sir.

The CHAIRMAN. "There was no doubt that this great fortune was mainly instrumental in securing those alliances and influencing those purchasable or discontented elements whose action upon election day caused such astounding results in the West."

Mr. SEARLES. I have no knowledge of any such transaction as those referred to in the article read.

Senator LODGE. Do you know of any money being given for the local campaign in Colorado?

Mr. SEARLES. I do not.

Senator LODGE. Or Nebraska?

Mr. SEARLES. I do not.

* * * * * * *

Senator ALLEN. Were you approached by any person on behalf of the national Democratic or Republican central committees in 1892 to contribute to the campaign fund of that year, either individually or in behalf of the company?

Mr. SEARLES. I do not remember to have been solicited in that way.

Senator ALLEN. No one asked you as an individual to contribute, or asked you as an officer to have the company contribute?

Mr. SEARLES. I do not remember any such request.

Senator ALLEN. All the way through, when you speak of local contributions I understand you to mean contributions to the State organizations of the party, whichever party it may be. For instance, if you speak of local contributions in the State of New York to the Democratic party, you mean to the Democratic organization in the State, do you not?

Mr. SEARLES. I do not know as to the organization, but for State purposes, whatever that may have been.

Senator ALLEN. Were your contributions larger in 1892 than they were in 1893?

Mr. SEARLES. I could not say as to that.

Senator ALLEN. What is your best recollection?

Mr. SEARLES. I do not remember.

* * * * * * *

Senator ALLEN. Have you any objection to producing your books, showing by that means the contributions that were made by the sugar trust for political purposes in the last few years, in 1892 and 1893?

Mr. SEARLES. I shall decline to do anything of that kind.

Senator ALLEN. You should decline to do it?

Mr. SEARLES. Yes, sir.

A copy of the subpœna by which said witness was commanded to appear and testify before the committee at the time and place aforesaid, together with a copy of the certificate of service thereof, is hereto attached and marked Exhibit A.

EXHIBIT A.

UNITED STATES OF AMERICA,
Congress of the United States.

To J. E. Searles, greeting:

Pursuant to lawful authority, you are hereby commanded to appear forthwith before the special committee of the Senate of the United States to investigate attempts at bribery, etc., at the room of the Committee on Privileges and Elections, then and there to testify what you may know relative to the subject-matters under consideration by said committee.

Hereof fail not, as you will answer your default under the pains and penalties in such cases made and provided.

To Richard J. Bright, Sergeant-at-Arms of the Senate of the United States, to serve and return.

Given under my hand, by order of the committee, this 13th day of June, in the year of our Lord one thousand eight hundred and ninety-four.

GEO. GRAY,
Chairman Special Committee.

SENATE OF THE UNITED STATES,
Office of the Sergeant-at-Arms.

I do appoint and hereby empower B. W. Layton to serve this subpœna, and to exercise all the authority in relation thereto with which I am vested by the within order.

R. J. BRIGHT,
Sergeant-at-Arms of the Senate of the United States.

WASHINGTON, D. C., *June 13, 1894.*

I made service of the within subpœna through my deputy, B. W. Layton, by the within-named J. E. Searles, at Arlington Hotel, Washington, D. C., at one o'clock p. m., on the 13th day of June, 1894.

R. J. BRIGHT,
Sergeant-at-Arms, Senate of the U. S.

In the opinion of the committee each of the questions put to said witness was a proper question and pertinent to the question under inquiry before the committee, and was necessary to make the examination ordered by said resolution of the Senate, and that said witness is in contempt of the Senate and merits to be dealt with for his misconduct; and that said witness, by his various refusals to answer the questions as herein set forth, has violated the provisions of that certain act of Congress in such cases made and provided, being chapter 7 of the Revised Statutes of the United States, which chapter is as follows:

SEC. 102, Rev. Stat. Every person who, having been summoned as a witness by the authority of either House of Congress to give testimony or to produce papers upon any matter under inquiry before either House, or any committee of either House of Congress, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the question under inquiry, shall be deemed guilty of a misdemeanor, punishable by a fine of not more than one thousand dollars nor less than one hundred dollars, and imprisonment in a common jail for not less than one month nor more than twelve months.

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Wherefore, the committee report to the Senate, to the end that the President of the Senate may certify as to said witness his aforesaid failure to testify and his aforesaid refusals to answer, and all the facts herein, under the seal of the Senate, to the U. S. district attorney for the District of Columbia, in order that said witness may be proceeded against in manner and form provided by law.

C. K. DAVIS.
H. C. LODGE.
WM. V. ALLEN.

ADDITIONAL REPORT OF MR. ALLEN, OF THE COMMITTEE.

In addition to the above recommendation of the committee regarding the witness, John E. Searles, I have to say that I think he ought to be brought to the bar of the Senate and be required to there purge himself of the contempt of which he is guilty, or be summarily punished for refusing to do so.

I therefore recommend the adoption of the following resolution by the Senate:

Whereas John E. Searles, a witness, was heretofore duly summoned by a select committee of the Senate, and being lawfully required to testify before said committee, has, as appears by the report of said committee, refused to answer pertinent and material questions propounded to him by said committee: Therefore,

Resolved, That the President of the Senate issue his warrant in due form, under his hand and the seal of the Senate, directed to the Sergeant-at-Arms of the Senate, commanding him forthwith to arrest and bring to the bar of the Senate the body of said John E. Searles, to show cause why he should not be punished for contempt, and in the meantime to keep the said Havemeyer in custody to await the further order of the Senate.

Respectfully submitted.

WM. V. ALLEN.

VIEWS OF THE MINORITY.

The undersigned members of the committee, being unable to agree with the majority in the report made by them to the Senate in the case of the witness, John E. Searles, deem it proper to state that the ground of their dissent is that set forth by the undersigned in the case of the witness, Henry O. Havemeyer.

GEO. GRAY,
WILLIAM LINDSAY.

53D CONGRESS, 2d Session. } SENATE. { REPORT No. 487.

IN THE SENATE OF THE UNITED STATES.

JUNE 21, 1894.—Ordered to be printed.

Mr. GRAY, from the Special Committee to Investigate Attempts at Bribery, etc., submitted the following

REPORT:

The special committee, under and in pursuance of a resolution of the Senate of May 17, A. D. 1894, as follows:

Whereas it has been stated in The Sun, a newspaper published in New York, that bribes have been offered to certain Senators to induce them to vote against the pending tariff bill; and

Whereas it has also been stated in a signed article in The Press, a newspaper published in Philadelphia, that the sugar schedule has been made up as it now stands in the proposed amendment in consideration of large sums of money paid for campaign purposes of the Democratic party: Therefore,

Resolved, That a committee of five Senators be appointed to investigate these charges and to inquire further whether any contributions have been made by the sugar trust, or any person connected therewith, to any political party for campaign or election purposes or to secure or defeat legislation, and whether any Senator has been or is speculating in what are known as sugar stocks during the consideration of the tariff bill now before the Senate, and with power to send for persons and papers and to administer oaths.

Resolved further, That said committee be authorized to investigate and report upon any charge or charges which may be filed before it alleging that the action of any Senator has been corruptly or improperly influenced in the consideration of said bill, or that any attempt has been made to so influence legislation.

have attended to their duties so far as they have been able, but in certain respects have been prevented by reason of the matters hereinafter stated, and ask leave to report in part as follows:

In pursuance of said resolution the said committee met in the Capitol on the 21st day of May, 1894, at 10 o'clock a. m., and, after the examination of certain matters embraced in the first paragraph of the said resolution, the committee proceeded to investigate further the matters submitted to them by the said resolution, and on the 19th day of June, A. D. 1894, the committee being duly assembled, one John W. Macartney, who had been duly subpœnaed and summoned as a witness to appear before said committee, then and there appeared and submitted to be examined as a witness. The witness was duly sworn by the chairman of said committee.

In the course of his testimony the said witness was asked certain questions, and refused to answer the same, as will more fully appear by the following copy of his testimony, viz:

SWORN TESTIMONY OF JOHN W. MACARTNEY.

Senator ALLEN. Mr. Macartney, where do you reside?

Mr. MACARTNEY. My house address?

Senator ALLEN. No. The city in which you reside.

Mr. MACARTNEY. Washington.

Senator ALLEN. What is your occupation?

Mr. MACARTNEY. I am in the banking and brokerage business in this city, and am a member of the New York Stock Exchange.

Senator ALLEN. Are you in partnership with any other gentlemen?

Mr. MACARTNEY. No one has any interest in my business except myself.

Senator ALLEN. What is the name, or has been the name, of your firm?

Mr. MACARTNEY. Corson & Macartney. My partner died about two years ago, and I bought his interest from his estate.

Senator ALLEN. Is the business conducted in your name?

Mr. MACARTNEY. I have never changed the firm name.

Senator ALLEN. It is just Corson & Macartney, of which you are sole owner?

Mr. MACARTNEY. I am sole owner.

Senator ALLEN. Do you know Mr. E. R. Chapman, of the firm of Moore & Schley, of New York City?

Mr. MACARTNEY. Yes.

Senator ALLEN. Have you seen him here within ten days?

Mr. MACARTNEY. Recently; I can not say whether within ten days or not.

Senator ALLEN. Did you see him after he was subpœnaed to testify before this committee?

Mr. MACARTNEY. Yes.

Senator ALLEN. After he had been on the stand and testified and been excused here, did you see him?

Mr. MACARTNEY. I did.

Senator ALLEN. At your office?

Mr. MACARTNEY. Yes.

Senator ALLEN. You are the agent of his firm?

Mr. MACARTNEY. No, sir; not agent. We are only the correspondents of Moore & Schley here. They have no interest in my business and I have no interest in theirs.

Senator ALLEN. But you transact business on the stock exchange through them?

Mr. MACARTNEY. Through them; that is it.

Senator ALLEN. How many conversations did you have with Mr. Chapman at that time, or about that time?

Mr. MACARTNEY. I do not recollect. He was at my office, because it was the natural place for him to go, when he was in Washington, but I do not know how many times I talked with him.

Senator ALLEN. After he had first been examined and excused until the next day, did you see him that evening?

Mr. MACARTNEY. I did.

Senator ALLEN. At your office?

Mr. MACARTNEY. No; not at my office.

Senator ALLEN. At what place?

Mr. MACARTNEY. I think I saw him at the Arlington Hotel.

Senator ALLEN. And who was in company with him?

Mr. MACARTNEY. There wasn't anyone when I saw him.

Senator ALLEN. No one, but you two?

Mr. MACARTNEY. That is all.

Senator ALLEN. You did, however, at that time, or about that time, have a conversation with him at your office?

Mr. MACARTNEY. He was in my office that day.

Senator ALLEN. Was any United States Senator there with him?

Mr. MACARTNEY. No.

Senator ALLEN. Did you have any conversation in the presence of any United States Senator?

Mr. MACARTNEY. No.

Senator ALLEN. Did he converse with any United States Senator in your presence?

Mr. MACARTNEY. No; not in my office nor elsewhere.

Senator ALLEN. Has any United States Senator since the 1st day of February, 1894, transacted any business on the Stock Exchange of New York through your house in purchasing or selling sugar stocks or certificates?

Mr. MACARTNEY. Now, I want to treat this committee with all respect, but I must decline to answer that question.

Senator ALLEN. On what ground do you decline, Mr. Macartney?

Mr. MACARTNEY. Because in my own opinion this committee has no right to ask such a question, and I am advised by counsel they have no such right; and by saying that I do not mean to convey inferentially to any member of the committee that any Senator has speculated in my office. I simply refuse to answer as a matter of principle, and question the right of even this honorable committee to inquire into a private business.

Senator ALLEN. Do you not think that your refusal to answer implies that a United States Senator has operated or speculated through your firm?

Mr. MACARTNEY. I do not think that is so. I would not assume to answer the question if you asked if any Government clerk had dealt through my firm.

Senator ALLEN. Has any Senator's clerk, since the 1st day of February, 1894, dealt in sugar stocks or certificates through your firm?

Mr. MACARTNEY. I decline to answer that question, not because they ever did, but simply upon the principle involved.

Senator ALLEN. You mean to say that you decline to give any information upon this subject?

Mr. MACARTNEY. I mean that I can not tell the committee who are or are not the customers of Corson & Macartney.

Senator ALLEN. Notwithstanding it may involve the integrity of men who are legislating in national affairs?

Mr. MACARTNEY. No matter who it involves, or who it does not, that is the decision I must adhere to.

Senator ALLEN. You regard your duty to your own financial interest as superior to your duty as a citizen to the country at large?

Mr. MACARTNEY. I do not quite regard it in that light.

Senator ALLEN. Do you put your refusal to answer this question or these questions, and to disclose the names of Senators and their clerks who have speculated in sugar stocks during the last ninety days through your firm, upon the ground that it will criminate you or expose you to ignominy?

Mr. MACARTNEY. I do not understand that any crime is charged against anybody.

Senator ALLEN. Upon what precise ground and upon what ground alone do you base your refusal to answer these questions?

Mr. MACARTNEY. On the ground that a committee such as this has not the right to inquire who are or who are not my customers in a private business such as mine is.

Senator ALLEN. Notwithstanding those customers may be United States Senators and their clerks?

Mr. MACARTNEY. Notwithstanding who they may be.

Senator DAVIS. Mr. Macartney, did I understand you to say that from your refusal to answer no inference was to be drawn as to whether any Senator or his clerk had or had not speculated through your office?

Mr. MACARTNEY. I do not wish to create an inference in any direction by refusing to answer.

The CHAIRMAN. Whether you wish to create one or not, do you mean that your answer is justly susceptible of the inference that any Senator or his clerk has speculated through your office?

Mr. MACARTNEY. It might be susceptible of any view of mind. At the same time, I would not wish to convey that inference.

The CHAIRMAN. Would you decline to answer the question put to you by Senator Allen just the same whether a Senator had speculated or had not speculated?

Mr. MACARTNEY. It would be just the same; I would refuse to answer, as a matter of principle.

The CHAIRMAN. You would refuse, even if no Senator had ever bought or sold sugar stock through you?

Mr. MACARTNEY. I would refuse to answer.

Senator LINDSAY. You put it upon the ground that your business is a private business and the public has no interest in it?

Mr. MACARTNEY. That is it exactly.

Senator LINDSAY. You would have no objection to saying in an ordinary conversation, if asked, if such or such a person was or was not a customer of yours?

Mr. MACARTNEY. I would.

Senator LINDSAY. In a letter published in the Philadelphia Press of May 14, 1894, it is stated in substance that after the formulation of the present amendments to the tariff bill, which is now pending before the Senate, a copy of them was placed in the hands of the agent of Moore & Schley, at Washington, in the morning before he was out of bed. You may state if a copy of that schedule was presented to you?

Mr. MACARTNEY. It was not.

Senator LINDSAY. When did you first see that schedule?

Mr. MACARTNEY. The first accurate knowledge I had of the schedule was when it was given to the press.

Senator LINDSAY. You saw it in the press?

Mr. MACARTNEY. Yes; not in the Philadelphia Press, but in the newspapers generally.

Senator LINDSAY. And you never knew of its existence before that time?

Mr. MACARTNEY. I never did.

Senator LINDSAY. Do you know of any employé in your establishment to whom it was given before that?

Mr. MACARTNEY. I do not. I will state for the information of the committee that in an office like mine there are a great many speculators around, and a great many newspaper people come in. We hear a vast number of rumors and gossip upon a great many subjects. As pertinent to my business, I talked sugar with anybody. We heard a great deal of rumor, but we had no real accurate information in regard to the amendments until everybody had it, and no employé of mine had, so far as I know.

Senator ALLEN. Along about the 15th of February, 1894, were orders sent by you or by anybody in your employment to the New York Stock Exchange for United States Senators, or any United States Senator, for the purchase of sugar stocks or certificates?

Mr. MACARTNEY. I must decline to answer that, upon the same principle involved in the other question.

Senator ALLEN. Were any such orders sent by any United States Senator's clerk or person in his employment?

Mr. MACARTNEY. I decline to answer that question.

The CHAIRMAN. For the same reason?

Mr. MACARTNEY. For the same reason.

Senator ALLEN. You are aware of the statute which makes it your duty to answer, are you?

Mr. MACARTNEY. I think so.

Senator ALLEN. You prefer to take your chances of indictment and punishment here in the District?

Mr. MACARTNEY. Yes; the ordinary consequences.

Senator ALLEN. To answering the truth?

Mr. MACARTNEY. I do not say that.

Senator ALLEN. Well, you refuse to disclose the truth, do you not, by refusing to answer?

Mr. MACARTNEY. I only refuse to answer the question.

Senator ALLEN. Don't you conceal the truth in refusing to answer?

Mr. MACARTNEY. I refuse to answer the question as to who are or who are not customers of my firm.

Senator ALLEN. And you refuse to say whether you do or do not secrete the truth by your refusal to answer?

Mr. MACARTNEY. I do not think that is a fair question.

Senator ALLEN. I desire you to answer the question. If you see fit, do so. You seem to be master of the situation.

Mr. MACARTNEY. I decline to answer that.

Senator ALLEN. Mr. Macartney, do you not know that your refusal is based upon your purpose to secrete the names of Senators who have speculated through your firm?

Mr. MACARTNEY. I do not.

Senator ALLEN. Or their clerks?

Mr. MACARTNEY. I do not.

Senator ALLEN. And that it is your intention to shield all such persons as far as possible?

Mr. MACARTNEY. That is not my intention at all.

Senator ALLEN. And because you believe that to give their names would be injurious to your business in the future?

Mr. MACARTNEY. That is not what induces my refusal at all, Senator.

(A copy of the subpœna by which said witness was commanded to appear and testify before the committee at the time and place aforesaid, together with a copy of the certificate of service thereof, is hereto attached and marked Exhibit A.)

EXHIBIT A.

UNITED STATES OF AMERICA,
Congress of the United States.

To John W. Macartney, of Corson & Macartney, Washington, D. C., greeting:

Pursuant to lawful authority, you are hereby commanded to appear before the special committee of the Senate of the United States to investigate attempts at bribery, etc., on Tuesday, June 19th, 1894, at 11 o'clock a. m., at the room of the Committee on Privileges and Elections, then and there to testify what you may know relative to the subject-matters under consideration by said committee.

Hereof fail not, as you will answer your default under the pains and penalties in such cases made and provided.

To Richard J. Bright, Sergeant-at-Arms of the Senate of the United States, to serve and return.

Given under my hand, by order of the committee, this 18th day of June, in the year of our Lord one thousand eight hundred and ninety-four.

GEO. GRAY,
Chairman Special Committee.

SENATE OF THE UNITED STATES,
Office of the Sergeant-at-Arms.

I do appoint and hereby empower B. W. Layton to serve this subpœna, and to exercise all the authority in relation thereto with which I am vested by the within order.

R. J. BRIGHT,
Sergeant-at-Arms of the Senate of the United States.

WASHINGTON, D. C., *June 19, 1894.*

I made service of the within subpœna through my deputy, B. W. Layton, by the within-named John W. Macartney, at No. 1419 F St. NW., Washington, D. C., at 9:40 o'clock a. m., on the 19th day of June, 1894.

R. J. BRIGHT,
Sergeant-at-Arms Senate of the U. S.

In the opinion of the committee each of the questions put to said witness was a proper question and pertinent to the question under inquiry before the committee, and was necessary to make the examination ordered by said resolution of the Senate, and that said witness is in contempt of the Senate and merits to be dealt with for his misconduct; and that said witness, by his various refusals to answer the questions as herein set forth, has violated the provisions of that certain act of Congress in such cases made and provided, being chapter 7 of the Revised Statutes of the United States, which chapter is as follows:

SEC. 102, Rev. Stat. Every person who, having been summoned as a witness by the authority of either House of Congress to give testimony or to produce papers upon any matter under inquiry before either House or any committee of either House of Congress, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the question under inquiry, shall be deemed guilty of a misdemeanor, punishable by a fine of not more than one thousand dollars nor less than one hundred dollars, and imprisonment in a common jail for not less than one month nor more than twelve months.

SEC. 103. No witness is privileged to refuse to testify to any fact or to produce any paper respecting which he shall be examined by either House of Congress or by any committee of either House, upon the ground that his testimony to such fact or his production of such paper may tend to disgrace him or otherwise render him infamous.

SEC. 104. Whenever a witness summoned, as mentioned in section one hundred and two, fails to testify, and the facts are reported to either House, the President of the Senate or the Speaker of the House, as the case may be, shall certify the fact under the seal of the Senate or House to the district attorney for the District of Columbia, whose duty it shall be to bring the matter before the grand jury for their action.

Wherefore, the committee report to the Senate to the end that the President of the Senate may certify as to said witness his aforesaid failure to testify and his aforesaid refusals to answer, and all the facts herein, under the seal of the Senate, to the U. S. district attorney for the District of Columbia, in order that said witness may be proceeded against in manner and form provided by law.

GEORGE GRAY.
WILLIAM LINDSAY.
C. K. DAVIS.
HENRY CABOT LODGE.
WILLIAM V. ALLEN.

ADDITIONAL REPORT OF MR. ALLEN, OF THE COMMITTEE.

In addition to the above recommendation of the committee regarding the witness, John W. Macartney, I have to say that I think he ought to be brought to the bar of the Senate and be required to there purge himself of the contempt of which he is guilty, or be summarily punished for refusing to do so.

I, therefore, recommend the adoption of the following resolution by the Senate:

Whereas John W. Macartney, a witness, was heretofore duly summoned by a select committee of the Senate, and being lawfully required to testify before said committee, has, as appears by the report of said committee, refused to answer pertinent and material questions propounded to him by said committee: Therefore,

Resolved, That the President of the Senate issue his warrant in due form under his hand and the seal of the Senate, directed to the Sergeant-at-Arms of the Senate, commanding him forthwith to arrest and bring to the bar of the Senate the body of said John W. Macartney, to show cause why he should not be punished for contempt, and in the meantime to keep the said Macartney in custody to await the further order of the Senate.

Respectfully submitted.

WM. V. ALLEN.

53D CONGRESS, 2d Session. } SENATE. { REPORT No. 606.

IN THE SENATE OF THE UNITED STATES.

AUGUST 2, 1894.—Ordered to be printed.

Mr. GRAY, from the Special Committee to Investigate Attempts at Bribery, etc., submit the following

REPORT:

Your committee, appointed under the following resolution of the Senate of the 17th of May, 1894—

Whereas it has been stated in The Sun, a newspaper published in New York, that bribes have been offered to certain Senators to induce them to vote against the pending tariff bill; and

Whereas it has also been stated in a signed article in The Press, a newspaper published in Philadelphia, that the sugar schedule has been made up as it now stands in the proposed amendment in consideration of large sums of money paid for campaign purposes of the Democratic party: Therefore,

Resolved, That a committee of five Senators be appointed to investigate these charges and to inquire further whether any contributions have been made by the sugar trust, or any person connected therewith, to any political party for campaign or election purposes or to secure or defeat legislation, and whether any Senator has been or is speculating in what are known as sugar stocks during the consideration of the tariff bill now before the Senate, and with power to send for persons and papers and to administer oaths.

Resolved further, That said committee be authorized to investigate and report upon any charge or charges which may be filed before it alleging that the action of any Senator has been corruptly or improperly influenced in the consideration of said bill, or that any attempt has been made to so influence legislation.

submit the following report:

They have heretofore made full report to the Senate of their investigation as to the matters concerning Senators Hunton and Kyle, mentioned in the first paragraph of the foregoing resolution. No other testimony under that head has been submitted to the committee and they have nothing to add to the report already made.

There remain four other distinct matters with the investigation of which the committee was charged by the Senate:

First. That it had been stated in The Press, a newspaper published in Philadelphia, that the sugar schedule had been made up, as it ther stood in the proposed amendment to the tariff bill as it came from the House of Representatives, in consideration of large sums of money paid for campaign purposes of the Democratic party.

Second. Whether any contributions had been made by the sugar trust, or any person connected therewith, to any political party for campaign or election purposes or to secure or defeat legislation.

Third. Whether any Senator had been or was speculating in what are known as sugar stocks during the consideration of the tariff bill then before the Senate.

Fourth. To investigate and report upon any charge or charges which might be filed before the committee alleging that the action of any Senator has been corruptly or improperly influenced in the consideration of said bill, or that any attempt had been made to so influence legislation.

As to the allegations in the Press newspaper, the committee find that an article, signed "Holland," was published in that newspaper on the 14th of May, 1894, containing certain charges and imputations against the Senate and Senators in regard to the sugar schedules in the tariff bill then pending before the Senate, the most direct of which, and the one which more than any other contained a specific statement affecting the integrity of members of the Senate, as well as the integrity of the Executive Department, is in the following paragraphs:

AN EXTRAORDINARY INCIDENT.

But the highest, the most emphatic and sufficient indication that the administration was bound to maintain these campaign pledges and to protect the men who had given half a million dollars. was furnished by an extraordinary and unexpected incident that happened not long after the Wilson bill went to the Senate. Senator Brice had represented to the President that these 3 trans-Mississippi Senators, who had charge of the bill, were determined to make sugar of all sorts absolutely free. Meyer and Croker had represented the same thing to Dan Lamont. Whitney and Benedict indirectly approached the administration protesting, and at last the administration determined to act.

Upon one occasion, some time in February, when the Finance Committee, or the Democratic members of it, were in perhaps informal session, there came into the room, unexpectedly to all those present, excepting two members, none other than the Secretary of the Treasury, Mr. Carlisle. His going there at that time has never been reported until this writing of it. He went secretly and came away secretly. His visit was supposed to be a confidential one. It was a confidence not imposed upon one member of that committee, and, therefore, it is possible now to make report of what Mr. Carlisle said. They looked upon him as speaking, not so much for Mr. Carlisle, as for the administration. He did not say that he came from the President, but when he had finished making his astonishing statement, not one of those who heard him doubted that he had come from the President and was echoing the President's wishes, and giving emphasis to them by an earnest, and for him, excited manner. What he said is quoted from remembrance, but it is substantially accurate, as it was reported by one who heard it. He said:

"Gentlemen, there is one thing that I am bound to say to you as earnestly and impressively as I can do it, and I speak to you as a Democrat to Democrats. No party or the representatives of no party can afford to ignore honorable obligations. I want to say to you that there seems to be danger that this is going to be done. Gentlemen associated with the sugar-refining interests (I may tell you what perhaps you do not know) subscribed to the campaign fund of the Democratic party in 1892 a very large sum of money. They contributed several hundred thousand dollars and at a time when money was urgently needed. I tell you that it would be wrong, it would be infamous, after having accepted that important contribution, given at a time when it was imperatively needed, for the Democratic party now to turn around and strike down the men who gave it. It must not be done. I trust that you will prepare an amendment to the bill which will be reasonable and in some measure satisfactory to these interests."

That, in substance, was the plea of Secretary Carlisle to the members of the Finance Committee, that they respect the obligations entered into by the national campaign committee and the personal representatives of Mr. Cleveland in 1892. It was a plea powerfully put. Mr. Carlisle said but little more; he had said enough. He turned and left the committee, going away with that secrecy with which he came, but before he did so he signified his willingness himself to prepare an amendment which he thought would be fair to the Government, and yet be just to the sugar interests.

That very thing he did not long after. The chairman of the Finance Committee received and showed to certain favored friends the draft of an amendment in Secretary Carlisle's own handwriting to the sugar schedule, and that draft is in Mr. Voorhees's possession to this day, unless he has destroyed it. Secretary Carlisle had scratched out from the printed schedule the provisions as originally made and by interlineation had inserted the following words: "On all sugars not above No. 16, Dutch standard, and on all." After the word "all" the printed form remained in which mention was made of other sugars, and then this interlineation, "Instead of one-eighth of 1 per cent 45 per cent ad valorem."

There is also upon the blank space at the bottom of the printed sheet, in Mr. Carlisle's handwriting, a clause providing that nothing contained in the bill shall be construed as affecting the Hawaiian reciprocity treaty. So the administration is on

record as favoring even a higher rate of protection than was afforded by the so-called Gorman bill. This speech of Secretary Carlisle's is sufficient proof of statements made earlier in this article that the sugar trust contributed $500,000 to the Democratic campaign fund, receiving in return a pledge that no measure should be allowed to pass Congress which endangers the sugar interests.

In undertaking this branch of the investigation the committee at once sought the author of these statements, who proved to be Elisha J. Edwards, a correspondent of the Philadelphia Press, resident in New York City. Mr. Edwards appeared before the committee and, after being sworn, was interrogated by them as to the statements in the paragraphs just quoted. He stated that he had no personal knowledge of the truth of any of the allegations contained in these paragraphs. Upon further interrogation he stated that he made them upon the authority of an informant, whose name he declined to give to the committee. He stated that he had no other source of information than this undisclosed informant. The committee urged upon Mr. Edwards the necessity of giving them this name, and the importance to this investigation of his doing so; but he persisted in his refusal to disclose the name of his informant upon the ground that the information was given to him in confidence.

The committee, after having reported to the Senate this refusal of the witness to testify as to so important a matter, proceeded to examine the only parties, other than the alleged informant, who could have any knowledge on the subject, viz, Secretary Carlisle and all the Democratic members of the Finance Committee. Their sworn statements accompany this report, and justify the conclusion that the statements made in the paragraphs quoted are without foundation in fact and utterly untrue. Except that it is a fact according to Secretary Carlisle's testimony that he did, at the request of Senator Jones of the Finance Committee, draft an amendment to the sugar schedule, a copy of which, as described by Mr. Carlisle, is attached as an exhibit to the testimony herewith submitted.

The conduct of Mr. Edwards in making and publishing so specific and serious a charge against public men, and one affecting their discharge of high public duties, upon no personal knowledge, and upon no information, the source of which he is willing to disclose, calls for serious reprobation.

There has been no testimony presented before your committee, and your committee has been unable to discover any, tending to show that the sugar schedule was made up, as it then stood in the proposed amendment to the tariff bill, in consideration of large, or any, sums of money paid for campaign purposes of the Democratic party.

No witness has testified before your committee that such was the fact, and all the Democratic members of the Finance Committee, and all the Senators whose names have been mentioned in the public press as especially active in protecting the sugar-refining industries, or in whose States sugar refineries existed, have, under oath, denied that such was the truth, or that they had any knowledge or information as to any sums of money, large or otherwise, having been paid for campaign purposes of the Democratic party by the sugar trust, by those connected with it, or by anybody, as a consideration for favorable treatment of its interests by said party.

The president, vice-president, and the secretary and treasurer of the American Sugar Refining Company, popularly known as the sugar trust, have also been summoned before the committee and interrogated under oath as to these matters, and they have each denied that any

contributions were made by the sugar trust, so called, or by them individually, to the national campaign fund of either party at the last general election. These witnesses stated that contributions had customarily been made by the American Sugar Refining Company, or so-called sugar trust, to the local or State campaigns of each of the two great political parties in several States, but they also denied that any of such contributions were made for the purpose of securing or defeating legislation in Congress, or to aid in the election of any U. S. Senator, or for any other improper purpose.

No other evidence or testimony has been offered or suggested to your committee, nor has any been discovered, which would tend to support the statements of the said Edwards in this regard.

Nor is there any evidence whatever in support of the statement in the same article that either of the Messrs. Havemeyer, president and vice-president of the American Sugar Refining Company, had an interview with President Cleveland on a yacht in the summer of 1892, or the summer of 1893, in regard to the sugar interests of the Hawaiian Islands, or any other sugar interests, or the policy of the administration in regard to them. On the contrary, it has been affirmatively shown, by the testimony, that the statement is untrue as to any such interview having occurred at the time and place stated, or at any time or place.

It is, however, shown by the evidence taken by the committee that one or more of the officers of the so-called sugar trust have been in Washington constantly during the pendency of the tariff bill in the Senate. In their testimony they have stated that they were here for the purpose of looking after the interests of the sugar-refining business generally, and to that end had conferences with the subcommittee in charge of the tariff bill in the Senate, and with several other Senators, chiefly those in whose States large refineries were situated.

They denied, as did the members of the sub committee and the Senators alluded to, that anything was said at these conferences that they would not have been willing to say in public, or that there was any improper proposal or suggestion made; and they stated that they only appealed for fair and equal treatment in common with other industries of the country. They denied, and members of the Finance Committee denied, that any meeting took place between them at the Capitol, or elsewhere, as was stated in the "Holland" letter to have taken place, and there is no evidence in support of the statements in that letter in this regard.

When interrogated as to other imputations contained in said article, too vague to be characterized as charges, the writer was unable to give any authority or suggest any foundation for his statements.

Whatever of impropriety may attach to the presence at the national capital of representatives of aggregated wealth engaged in industries affected by a tariff bill, and to their importunities for protection by Congressional legislation—and the impropriety can not be denied—no evidence has been adduced before your committee tending to show improper conduct on the part of those engaged in the framing of the sugar schedule in the tariff bill then pending before the Senate.

Though perhaps outside the scope of the duty imposed upon your committee, they take occasion to strongly deprecate the importunity and pressure to which Congress and its members are subjected by the representatives of great industrial combinations, whose enormous wealth tends to suggest undue influence, and to create in the public mind a demoralizing belief in the existence of corrupt practices.

As to the third branch of this inquiry, viz, "whether any Senator has been or is speculating in what are known as sugar stocks during the consideration of the tariff bill now before the Senate," your committee deem it only necessary to refer to the testimony on that subject, herewith submitted. The testimony of Mr. Chapman, a member of the firm of Moore & Schley, bankers and brokers in New York City, who declined to state whether any Senator had speculated in sugar stocks during the pendency of the tariff bill in the Senate through the agency of his firm, seemed to make it incumbent upon the committee to ask each Senator to testify in that respect. In response to such request the sworn statement of each Senator has been taken and is made a part of this report.

By these statements it appears that two Senators, Hon. John R. McPherson, of New Jersey, and Hon. Matthew S. Quay, of Pennsylvania, have held and sold sugar certificates during the pendency of the present tariff bill. Their testimony further shows that before the voting upon the bill began each had entirely closed out his holdings. The circumstances under which these transactions were had by these two Senators are detailed in their testimony before the committee, to which the attention of the Senate is hereby called.

Before the statements of individual Senators were taken, however, every suggestion of evidence that might throw light upon the question submitted to us by the Senate was followed up and explored.

Since the examination of the Senators, an article appeared in the New York Herald of July 17, calling attention to apparently new evidence in relation to speculation by Senators in sugar stocks. Your committee thereupon continued the inquiry and, in the course of this renewed investigation, there came into the possession of your committee, as set forth in the evidence submitted herewith, a photographic copy of an order to buy sugar stocks, dated March 2, and purporting to be signed by the Hon. J. N. Camden, a Senator from West Virginia.

It is shown by the evidence that the original order was written in lead pencil on what appeared to be an old envelope. The order was not addressed or directed to any firm of brokers or to any one. The original paper was destroyed, as appears by the evidence, after the photographic copy was taken and upon the appearance of the article in the New York Herald, already alluded to. The order was first found in the hands of one Battershall, who has eluded every effort of your committee to serve a subpœna upon him and who, it is understood, has fled to Canada.

From the evidence of one witness and the circumstances disclosed by the testimony, Battershall appears to be a man of doubtful character, which, with the fact of the destruction of the original, tends to discredit the original paper; and there is testimony tending to show that the party who had the photograph taken contemplated using it for an improper purpose. Upon an examination of the photographic copy Senator Camden, who was recalled as a witness, said that the purported signature resembled, in some respects, his genuine signature, and that the body of the paper bore some resemblances to his own handwriting.

He stated it as his belief and best judgment that the paper is fictitious or a forgery, but he does not, in express terms, declare it to be a forgery and declines to swear positively that it is not in his handwriting. He denies, however, substantially, that any such order was ever executed or that any sugar stock has been bought or sold for him since the tariff bill has been under consideration, and there is no testi-

mony tending to prove that the supposed order was ever executed by any firm, or that any sugar stock has been bought or sold by or for Senator Camden at any time during the present session of Congress.

In the course of the investigation, continued as described above, a letter was put in evidence written by Mr. Guillaudeu, a broker doing business in New York, to Mr. A. N. Seip, of Washington. This letter, in addition to making the statement about Senator Camden already considered, stated further that the Hon. James Smith, jr., a Senator from New Jersey, had speculated in sugar stocks during the pendency of the tariff bill. Mr. Guillaudeu, being called as a witness, admitted that he wrote the letters read by Mr. Seip. He stated that the information in regard to Senator Smith came from Battershall, and that the orders given by Senator Smith, according to Battershall's statement, were verbal.

Senator Smith was recalled as a witness and these statements were brought to his attention, and he was questioned in regard to them. He swore that the statements made by Battershall and quoted by Guillaudeu were entirely false, and that he had never, at any time, bought any stock from Washington, nor had he bought any sugar stocks during the pendency of the present tariff bill in the Senate, and that he had never known or seen Battershall.

Senator Smith reiterated his former testimony, and swore that he had never bought or sold sugar stocks during the pendency of the present tariff bill.

As to the fourth instruction to your committee, contained in the said resolution of the Senate, and above quoted, they report that no "charge or charges have been filed before them alleging that the action of any Senator has been corruptly or improperly influenced in the consideration of said bill, or that any attempt has been made to so influence legislation."

All the testimony taken by the committee is submitted as a part of this report

GEO. GRAY.
WILLIAM LINDSAY.
H. C. LODGE.
C. K. DAVIS.
WM. V. ALLEN.

ADDITIONAL VIEWS OF MR. LODGE AND MR. DAVIS.

Three questions were involved in the resolutions which created the committee to investigate the charges of bribery against certain Senators. The first was that relating to the alleged attempts to bribe Senators Hunton and Kyle, and upon that branch of the inquiry the committee has already reported.

The second question was in reference to the speculations of Senators in the certificates of the American Sugar Refining Company during the pendency of the present tariff bill, and upon that the committee now reports without division of opinion.

The third question related to the influence of the sugar trust, so called, on the making of the sugar schedule as it now stands in the tariff bill. As to this third question the undersigned desire to submit their views as follows:

No evidence has been submitted to the committee which proves that the sugar schedule was made up in order to fulfill obligations to the sugar trust for campaign contributions. All of the witnesses have denied in the most explicit manner that such obligations existed or played any part in the construction of the sugar schedule, but the undersigned feel that it is their duty to point out how that schedule was finally made.

We will state, first, certain admitted facts. The sugar schedule was made and reported to the Senate by the Democratic members of the Finance Committee. The Senators composing the Democratic majority of that committee are, therefore, publicly responsible for the schedule. It is also admitted, and it is proved by the sworn testimony of every witness called, that the present form of the schedule was that desired by the representatives of the refiners or of the sugar trust. The undersigned believe that it is of interest and importance to the public that the steps, so far as they are proved by the testimony herewith submitted, by which this schedule was formed and reported by the Finance Committee should be succinctly stated without going beyond the sworn testimony.

There were three sets of interests or opinions involved in the settlement of this sugar question. First were those who had no local or pecuniary interest in the matter whatever, but who believed, as a general proposition, that all sugars should come into this country free of duty; second were the producers of raw sugar in this country, who desired a protective duty for their industry; third were the refiners, who desired a protective duty for their industry, which was the making of refined sugar. When the bill came from the House it was in conformity with the first of these views, that is, it let all sugars into the country free of duty. It, therefore, encountered the opposition both of those who represented the producers and those who represented the refiners and it soon became evident that no bill could pass the Senate which did not give some protection to both these interests.

In the first report of the tariff bill this fact was made apparent by a schedule which provided for a graded specific duty on sugars, raw and refined. This schedule, however, while reasonably satisfactory to the

producers, was very unsatisfactory to the refiners, and the contest over the schedule assumed a new form. It was admitted that there must be some duty on sugars, and the question which now arose was, what kind of a duty? Here the producers and the refiners came into conflict. The producers favored the specific duty as first reported. The refiners favored the ad valorem duty, and this latter principle is the one embodied in the tariff bill as it now stands in regard to raw sugars. All the witnesses who were questioned testified, without exception, to the fact that the producers demanded and desired a specific duty while the refiners demanded ad valorem rates. The point of interest is to learn how the specific duties were abandoned and ad valorem duties substituted for them.

It appears in the testimony that the representatives of the sugar trust, Mr. Havemeyer, the president of the company; Mr. Searles, its treasurer; Mr. Henry R. Reed, representing the Boston refiners; Mr. Cord Meyer, and Mr. H. L. Terrell were in Washington more or less constantly after the passage of the tariff bill through the House, and that they all urged the adoption of an ad valorem schedule. It appears, also, from the testimony that these representatives of the sugar trust presented their views fully to members of the Finance Committee, and, of necessity, did so privately, because public hearings as to the various industries involved in the tariff had been refused.

It also appears in the testimony that these representatives of the sugar trust saw certain other Senators more or less frequently on the subject of their interests, and these Senators were in all cases the same. They also saw the Secretary of the Treasury, who testified that he had always believed in ad valorem duties. The Senators not members of the Finance Committee, to whom the representatives of the trust presented their arguments, were Senator Brice, of Ohio; Senator Gorman, of Maryland; Senators Hill and Murphy, of New York; Senators Smith and McPherson, of New Jersey; Senators White and Caffery, of Louisiana; and Senator Camden, of West Virginia. Various meetings, it appears by the testimony, were held to discuss the sugar schedule between the representatives of the trust and these Senators who have been named.

After the tariff bill had been reported a conference was held by all the Democratic Senators, and it was then decided, as appears by the testimony, that the tariff bill as first reported must be so changed as to command the votes of 43 Democratic Senators. The change in the sugar schedule from specific to ad valorem rates was made by the Finance Committee after this period, and as the result of this conference.

It appears by the testimony of Senator Vest that after said conference Senator Brice, of Ohio, Senator Gorman, of Maryland, Senator Smith, of New Jersey, Senator Hill, of New York, and Senators White and Caffery, of Louisiana, came to the rooms of the Finance Committee in regard to the sugar schedule. Senator Vest testified that Senator Gorman urged a duty of 40 per cent ad valorem and one-quarter of a cent a pound differential in favor of refined sugars as the proper schedule. This was opposed by the Senators from Louisiana, representing the producers as against the refiners of sugar. Senator Vest further testified that he then stated to all these Senators that he had supposed that they were agreed upon a sugar schedule, but as they were not he saw no use at that time in continuing the discussion before the committee, and that meeting thereupon came to an end. Afterward the specific schedule was changed by the Finance Committee and

was reported as it now stands, with a 40 per cent ad valorem duty and an eighth of a cent per pound differential.

It was in this way, according to the evidence before the committee of investigation, that the sugar schedule was made up and that the form of duties advocated by the sugar trust was put in the bill to replace the specific form advocated by the producers.

All the witnesses stated that in all these conferences and discussions nothing was presented except the ordinary arguments offered by any industry in regard to its interests in a tariff bill, but the undersigned feel that the American Sugar Refining Company occupies a very different position, not only in the public estimation, but as a matter of fact, from that of any other industry in the country. It is a very rich corporation with an enormous interest in tariff legislation. It is a matter of complete indifference to the trust what duties are levied upon sugar so long as the form is ad valorem and a sufficient differential is given in favor of refined sugar.

The sugar trust, by the evidence of its president and treasurer, has contributed freely to the State and city campaign funds of both parties and these contributions were made in years in which national elections were also held. This is a thoroughly corrupt form of campaign contributions, for such contributions, being given to two opposing parties, are not for the purpose of promoting certain political principles, but to establish an obligation to the giver on the part of whichever party comes into power. The trust does not give to political parties for the promotion of political principles in which it believes, but for the protection of its own interests, as appears by the same testimony. The fact that it gives to both political parties is sufficient proof of the purposes of its contributions and of their dangerous nature.

For these reasons the undersigned have felt it important to lay before the Senate and the country the fact that the sugar schedule, as it now stands, is, according to the testimony, in the form desired by the sugar trust, and to point out also the methods by which the sugar trust reached what it desired and obtained a substantial victory.

H. C. LODGE.
C. K. DAVIS.

ADDITIONAL VIEWS OF MR. ALLEN.

In view of the fact that the report of the committee, in which I concur, does not set forth the facts in this case as fully as I think they should be stated, I have deemed it proper to file an additional report.

The resolution, it will be observed, requires us—

1. To investigate and report whether the charge of an attempt to bribe Senators Hunton and Kyle is true.

2. To inquire, further, whether any contributions have been made by the sugar trust, or any person acting therewith, to any political party for campaign or election purposes, or to secure or defeat legislation; and,

3. Whether any Senator has been, or is, speculating in what are commonly known as sugar stocks during the consideration of the tariff bill now before the Senate.

I have to say that, so far as the charge against Senators Hunton and Kyle is concerned, there is no evidence to sustain it. These gentlemen stand entirely acquitted, and I will dismiss this branch of the case from further consideration, inasmuch as we have heretofore fully reported thereon.

Regarding the second proposition I have to say that the testimony shows to my mind quite conclusively that contributions were made by the sugar trust to both the Republican and Democratic parties for campaign purposes. The testimony of Henry O. and Theodore Havemeyer and John E. Searles leaves no doubt of the fact that the sugar trust in the State of New York, in 1892, contributed money to the Democratic party for campaign purposes, and at the same time, and for the same purpose, contributed money to the Republican party in the State of Massachusetts. It is true that these witnesses testified that their contributions were made for local and State purposes; but there is no doubt in my mind that the money went into the general campaign fund of those States, and was used as much for national as for State and local purposes.

The evidence further discloses that the books of the American Sugar Refining Company contain an accurate account of the amount of these contributions, or at least sufficient data from which the amount can be accurately ascertained. But the witnesses in each instance refused to produce the books or to disclose the amounts of such contributions. I think the American Sugar Refining Company, popularly and more properly known as the American Sugar Trust, has been in the habit of contributing money to the national campaign fund of both the Democratic and Republican parties through its president, with the expectation, if not the implied promise, that whichever party succeeded to power the interests of the company should be "cared for" by it.

This deduction is fully warranted by the testimony taken by us. That a political party must have money for the purpose of conducting a legitimate campaign, and to be legitimately expended, no one will deny; but that a great corporation that overshadows and threatens the nation should contribute liberally to promote the success of one political party in one State, and the success of another political party in another State at the same general election, I think can not be justified by any standard of morality or process of honest reasoning. Such contribu-

tions can only be prompted by the expectation of the contributor that whichever party shall succeed to the control of the Government will look with some degree of leniency in its legislation upon his interests. A wisely drawn and judicious law looking to a prompt and efficient remedy for this growing evil should be passed by Congress and approved by the President.

The testimony shows that two Senators, the Hon. John R. McPherson, of New Jersey, and the Hon. Matthew S. Quay, of Pennsylvania, did engage in speculating in what are known as sugar stocks or certificates during the pendency of the present tariff bill before the Senate. As their testimony accompanies this report and is self explanatory, I will do no more than to say that I think it fully discloses the necessity for a law prohibiting this practice.

I can add nothing to what is said by the committee regarding that branch of the inquiry affecting the Hon J. N. Camden, a Senator from West Virginia, and the Hon. James Smith, jr., a Senator from New Jersey.

Speaking entirely apart from the facts disclosed in this case, it is impossible for me to conceive of a person who is engaged in discharging the duties of the office of U. S. Senator, and who may at any time be required to consider or vote on a measure affecting the public welfare, to divorce his private interests from those of the public; and if he is compelled to neglect the one or the other I think we have a right to conclude that he will invariably neglect the public interest to preserve his own.

It is a delicate matter for me to speak upon this subject, but a sense of public duty requires me to condemn the practice as unwise and fraught with danger, and one which, if indulged in to any considerable extent by Senators and Representatives, will inevitably lead to the defeat of needed reform in legislation.

There is no evidence whatever connecting Senator Ransom, of North Carolina, with any speculation in sugar or other stocks. The testimony shows that his son, George Ransom, a young man of 22 years of age, and Capt. Barnes, the messenger to the committee of which he is chairman, speculated in a small way in stocks. But the evidence leaves no doubt that this was done entirely without the knowledge or consent of Senator Ransom, and that he never knew of it until within a very few hours of the time he was called to the witness stand. He is fully exonerated from either engaging in speculations or having knowledge that his son and Capt. Barnes were doing so.

The evidence does not show that the sugar trust had any direct influence in procuring the presentation to the Senate of the committee amendment to the sugar schedule, although I think that schedule in so far as it prescribes an ad valorem system of taxation is entirely satisfactory to the trust. There is nothing in the evidence to show that Secretary Carlisle had any improper interview with any representative of the trust, or that any advice he may have given, or assistance he may have rendered, the Finance Committee was at all improper or out of place.

On the other hand, the evidence discloses that such services as he rendered in the premises were strictly in accordance with a long-prevailing custom of the Treasury Department. He drafted the sugar schedule as presented to the Senate at the request of Senator Jones, of Arkansas, an active member of the subcommittee, and I am well convinced that in what Senator Jones did in the premises he was actuated

by honorable motives, and had no desire to unduly favor the sugar trust in any respect.

I believe it to be due to all of these officers to say that the evidence does not cast a suspicion upon their conduct when viewed in the light of the custom heretofore prevailing in the Treasury Department of transacting this part of the public business.

I am thoroughly convinced, however, that no Senator or Representative should ever permit himself to be approached upon any subject connected with legislation by those representing private or special interest, except on occasions when such persons may be heard by the committee of which he is a member, exactly as they would be heard in a court of justice in a case there pending and to be determined. I know of no more reason why a Senator or Representative should be approached, talked with, and importuned by a person representing a special interest to be affected by legislation than a judge before whom a case is pending and is to be tried should be approached by one of the litigants and the case be privately argued and presented to him out of court.

The place to present all arguments is in the committee room before the committee or a subcommittee. This being done and the committee fully informed, the rule prevailing in courts should be observed.

It is proper to call attention to the reckless and open defiance of the authority of the Senate to require witnesses to answer questions that may be put to them, or make disclosures germane to the subject-matter of investigation. The defiance of our authority by the witnesses Edwards, Shriver, Walker, Chapman, McCartney, the Havemeyers, Searles, and others, demonstrates to me that if the Senate ever expects to arrive at the truth of any matter under investigation by a committee appointed by it, it must promptly take contumacious witnesses in hand and deal with them without delay as they would be dealt with in a court of justice under like circumstances.

To turn such witnesses over to the grand jury of the District of Columbia for indictment and prosecution and not require them to be brought before the bar of the Senate to purge themselves of contempt, and, failing to do so, punish them for a refusal, is a practical abdication of the authority of the Senate and leaves it possible for irresponsible persons, without any risk to themselves, to make serious charges against the integrity of those in authority, and when called on to disclose their knowledge of the facts to hide themselves behind the assertion that there is no authority in the Senate to compel disclosure.

The Senate has ample and undoubted jurisdiction of this matter and has repeatedly asserted it, and can punish witnesses for contempt and incarcerate them until they purge themselves thereof; but so long as partisan politics enter into the discussion and consideration of investigations of this character the people can expect such witnesses to escape unpunished, and no one knows this better than the witnesses themselves. Thus it will be seen that under such circumstances investigations of this character eventuate in nothing. There must be a radical reform in this respect before the public can expect Congressional investigations to be of any practical value. Without extending this report, I have to state in conclusion that I think this investigation has demonstrated the necessity for two laws.

First. A law prohibiting speculation by Senators and Representatives in Congress in any class of speculative stocks whose value may be immediately affected by national legislation, and thus remove all temptation from them. When a Senator or Representative is elected and takes his seat he thereby, at least impliedly, agrees with the public

that so long as he holds his office he will abstain from the transaction of any private business that may conflict with the faithful discharge of his public duty. I have introduced a bill into the Senate making such speculation a cause for expulsion from Congress.

Second. A law should be speedily passed which, when a committee reports that a witness duly summoned before it is recalcitrant or refuses to answer germane questions put to him by the committee, will require him to be brought promptly before the bar of the Senate, and there, without delay or unnecessary debate, the Vice-President or presiding officer shall repeat the questions to him, and if he shall then refuse to answer them he shall, by proper resolution, without delay or debate, be placed in confinement until he shall have purged himself of contempt. Unless laws of this character can be enacted and be promptly and in good faith enforced, all Congressional investigations will be failures and fall short of accomplishing any useful or practical purpose.

Respectfully submitted.

WM. V. ALLEN.

ALLEGED BRIBERY OF U. S. SENATORS.

(See p. 85 for additional title.)

On May 17, the Senate adopted the following preamble and resolution:

Whereas it has been stated in The Sun, a newspaper published in New York, that bribes have been offered to certain Senators to induce them to vote against the pending tariff bill; and

Whereas it has also been stated in a signed article in The Press, a newspaper published in Philadelphia, that the sugar schedule has been made up as it now stands in the proposed amendment in consideration of large sums of money paid for campaign purposes of the Democratic party: Therefore,

Resolved, That a committee of five Senators be appointed to investigate these charges and to inquire further whether any contributions have been made by the sugar trust, or any person connected therewith, to any political party for campaign or election purposes or to secure or defeat legislation, and whether any Senator has been or is speculating in what are known as sugar stocks during the consideration of the tariff bill now before the Senate, and with power to send for persons and papers and to administer oaths.

Resolved further, That said committee be authorized to investigate and report upon any charge or charges which may be filed before it alleging that the action of any Senator has been corruptly or improperly influenced in the consideration of said bill, or that any attempt has been made to so influence legislation.

The Vice-President was authorized to appoint said committee, and announced the appointment of Senators Gray, Lindsay, Lodge, Davis, and Allen as the said committee.

WASHINGTON, D. C., *May 21, 1894.*

The committee met pursuant to the foregoing resolution of the Senate, all the members present.

SWORN STATEMENT OF SENATOR EPPA HUNTON.

The CHAIRMAN. You are a member of the Senate of the United States from the State of Virginia?

Senator HUNTON. Yes.

The CHAIRMAN. How long have you been a Senator?

Senator HUNTON. I succeeded Mr. Barbour when he died. I believe it was in June, 1893.

The CHAIRMAN. Your home is in Virginia? Where?

Senator HUNTON. Warrenton, Fauquier County.

The CHAIRMAN. You have been in attendance continuously upon this session of the Senate?

Senator HUNTON. Yes.

The CHAIRMAN. An allegation has been published in the newspapers that you have been directly or indirectly approached with corrupt propositions to influence your vote on measures pending before the Senate. What have you to say in regard to that? Have you any knowledge of it?

Senator HUNTON. I have never been directly approached at all. I will be glad to state the circumstances attending an indirect approach.

Senator DAVIS. I think that is proper.

The CHAIRMAN. State what you know in that direction.

Senator HUNTON. On the 2d day of April last, which was Monday, I took my wife, who had been spending the winter here, to the upper part of the country on a visit to my sister. In the evening I went after her and took her home. We got back home at half-past 7 o'clock Saturday evening. When we reached my home my son told me of a visit of a Mr. Buttz, which was made to him the Sunday preceding.

Senator DAVIS. At Warrenton?

Senator HUNTON. At Warrenton. Mr. Buttz, as I learned from my son, went up there on the Sunday preceding my arrival, went to my house, rang the bell. My son was near the door and opened it and received him. Mr. Buttz presented a letter of introduction from a man in this city named Walker, who came here from Virginia. That letter stated that Mr. Buttz had——

The CHAIRMAN. Have you that letter?

Senator HUNTON. My son has the letter and will produce it. The letter stated that Mr. Buttz had some business with my son. The point mentioned in the letter was that he had a matter before the Land Department, in which he (Buttz) wished to employ my son as counsel. I suppose it is not proper for me to state what I learned from my son, about what occurred between him and Mr. Buttz; he is here and will state it himself. In the course of the conversation with my son I learned that the efforts of this man was to enlist my son's services on a very large contingent fee to influence my vote on the tariff question.

Senator DAVIS. What the son said, I think, may be proper.

The CHAIRMAN. I agree with you. But I wish to proceed with due deliberation.

Senator HUNTON. What is that?

The CHAIRMAN. You can state all that occurred between you and your son at that time.

Senator HUNTON. My son told me that he just glanced at the letter of introduction, more to see the name of the man that was introduced than to read it. This was when it was first presented to him. According to my recollection of my son's statement, the man told him that he was very much interested in the defeat of the tariff bill. I think, probably, he said that he represented some party that was very much interested, and that he would give my son, he first named, $15,000; that he had an argument against the tariff bill which he thought would control my vote, and he desired to present that argument to my son so that my son might present it to me; that if he would undertake the job and prove successful in it, I think he first named the sum he would give as $15,000 and immediately rose to $25,000, that he would give him $25,000. My son said that he could not influence my vote if he would, and he would not if he could; that he was a tariff-reformer himself, and immediately dismissed the subject. The man attempted to come back and renew the conversation.

Senator DAVIS. Did the man leave the house on that and afterward come back?

Senator HUNTON. No; this was the first interview. My son said he would not hear anything further on the subject, and the man took his leave. That evening my son was lying down and had directed that he be not disturbed. The man rang the bell, and the servant told him that my son said he was not to be disturbed. The man presented a card. The card is not in existence. It was an invitation for my son to call on him at his office on F street.

It was an effort to bribe me through my son. My son did not deal with the man as he ought to have done. I found him in a state of

indignation. He told about the affair to some friends of ours in the town. That was Saturday night, and on Monday morning I returned to Washington. So soon as I reached the Senate chamber I told Senator Harris what had occurred, and told him that I thought it was my duty to inform my friends in the Senate, and especially him (Senator Harris) as the manager of the tariff bill, what was going on, that they might take such steps as they thought proper. I afterward told it to all the Democratic members of the Finance Committee and to a good many friends on the floor. I recollect telling you, Mr. Chairman, about it. I believe that is about all I know.

The CHAIRMAN. That is all you know in regard to it?

Senator HUNTON. That is all, and most of that is hearsay. I never have been approached at all by this man Buttz.

The CHAIRMAN. Did you ever see him?

Senator HUNTON. I first supposed when I heard of this matter that I had never laid eyes on the man; but I understand I served a term in Congress with him, the Forty-sixth Congress.

The CHAIRMAN. Did you ever see him?

Senator HUNTON. I do not know that I ever spoke to him. He may possibly have come up and offered his hand. If he was to come into this room I would recognize him as a man whom I have seen; but I thought I had never laid eyes on him, and did not to know him as Buttz.

Senator LINDSAY. What is the name of your son?

Senator HUNTON. Eppa Hunton, jr.

Senator LINDSAY. What is his profession?

Senator HUNTON. Lawyer in Warrenton.

Senator DAVIS. What is Mr. Walker's first name?

Senator HUNTON. James W. Walker.

Senator DAVIS. Do you know what his business is?

Senator HUNTON. He professes to be a lawyer here. He was a resident of Madison County, Va., and came from there to this city.

Senator DAVIS. Where is his office?

Senator HUNTON. I do not think I could tell you.

Senator LINDSAY. Has he any middle name?

Senator HUNTON. James W. Walker. About two weeks ago James W. Walker sent his card up to me at the Normandie, and supposing that he was the man who had written this letter of introduction, I sent for him to come to my room. When he came in I recognized him as this man who formerly lived in Virginia. I said, "Mr. Walker, are you the gentleman who gave a letter of introduction to my son for a Mr. Buttz?" He said he was. I said, "Do you know the object of that man's visit to my son?" He said, "No further than stated in the letter of introduction;" which, as I said a while ago, spoke of employing my son in a matter pending in the Land Department. I said, "Do you tell me positively that you never knew that Mr. Buttz had any other object in view in his visit to Warrenton?" He said he did not, and I dropped the subject. Mr. Walker told me in the same conversation that he boarded in the same house with Buttz, and a suspicion crossed my mind that he and Buttz had discussed this matter between them. But he said he knew nothing on the subject, except what he stated in that letter.

I would be glad if the committee would send for him and examine him on that subject.

Senator ALLEN. Do you know Mr. Walker's number?

Senator HUNTON. No; but I can get it.

The CHAIRMAN. What is his full name?

Senator HUNTON. James W. Walker. I would be exceedingly glad if the committee would ask me any questions that may occur to any of them. I beg to say that I have felt a good deal humiliated by this whole affair. I thought I had lived a life which protected me from any such approaches, and that I knew my son was as high above anything of that sort as I claimed to be. I felt it to be my duty as soon as I heard it to let it be known among my friends in the Senate. And I did not confine it to Senators, but told my friends of it pretty freely, that they might know that there was an effort being made, and that they might take such steps as were necessary. When I first spoke to Senator Harris about it I suggested that he get four or five members of the Senate and that we would withdraw from the Senate chamber, talk the matter over, and determine what was best to do in the premises; but the Senate was engaged at that time and we did not get together and did not hold a consultation. But it was understood among those with whom I talked on the subject, and from the start, that I desired the Senate to take such steps in the premises as were proper.

Senator DAVIS. This interview between your son and Mr. Buttz, I believe you said, was on the 2d of April?

Senator HUNTON. No; on the 1st of April. I left here on the 2d of April and got home on the 7th. I asked my son afterwards to give me a statement of what had occurred between him and Buttz. He gave it, and I showed it around among my friends in the Senate.

Senator LODGE. What finally decided you to make it public?

Senator HUNTON. Why, I did not make it public. It was finally made public on last Monday.

Senator DAVIS. By whom?

Senator HUNTON. I can not tell you. The first I knew of its publicity Senator Quay came over to me with a copy of the Philadelphia Record, and asked me if that was true. I told him that it was substantially true. That was the first I knew of its publicity. I afterwards went over to Senator Quay's seat and said, "I desire to correct what I stated to you in an unimportant particular; I told you it was all true." The piece stated that it had just come out that morning, and I desired to say to Senator Quay that that part was not true; that I had immediately told my friends in the Senate about it; but with that exception the piece was substantially true. During my absence from the Senate Chamber Senator Lodge introduced this resolution, and when I came back he informed me that it was introduced and adopted, which was a mistake—it came up the next morning, and was adopted.

I hope no member of this committee will feel the slightest delicacy in asking any question which may occur to him.

Senator ALLEN. You have given the transaction—about all there is to it?

Senator HUNTON. Yes; all that I know about it, and a good deal that I did not know—that I learned from my son. As I said awhile ago, I never really was approached at all; and if I ever met this man Buttz in ten years I do not know it.

Senator ALLEN. The entire attempt to reach you was through your son?

Senator HUNTON. Yes; entirely so. I regret that it did not come to me directly instead of through my son. Of course, the result would have been the same; but I regret that he was approached. He is my *only* child, and I love him dearer than life itself.

SWORN STATEMENT OF EPPA HUNTON, JR.

The CHAIRMAN. Where do you reside?
Mr. HUNTON. I reside in Warrenton, Va.
The CHAIRMAN. How old are you?
Mr. HUNTON. I am 39.
The CHAIRMAN. You are the son of Senator Hunton, of Virginia?
Mr. HUNTON. Yes.
The CHAIRMAN. Are you keeping house in Warrenton?
Mr. HUNTON. No; I live with my father.
The CHAIRMAN. Are you a married man?
Mr. HUNTON. Yes.
The CHAIRMAN. What is your profession?
Mr. HUNTON. I am a lawyer.
The CHAIRMAN. How long have you been a lawyer?
Mr. HUNTON. I came to the bar in 1877.
The CHAIRMAN. Will you state to the committee in your own way all that you know in regard to an alleged attempt, through you, to make improper approaches to your father as a Senator?
Mr. HUNTON. On Sunday, the 1st day of April, I would say between 1 and 2 o'clock, I was at my home in Warrenton. The door bell rang; I answered the bell myself. I found a man there who asked for me.
The CHAIRMAN. A stranger to you?
Mr. HUNTON. A stranger absolutely. When he found out who I was he said that he wished to see me. He told me his name, and handed me a letter of introduction. I glanced at the letter, without reading it, however, I think to discover his name, which I had not noted. I have the letter of introduction [producing paper].
The CHAIRMAN. This is the letter to which you refer?
Mr. HUNTON. Yes; unless I have made a mistake.
The CHAIRMAN. We might as well read it now.

472 LOUISIANA AVENUE NW.,
Washington, D. C., March 20, 1894.

Hon. EPPA HUNTON, JR.:
DEAR SIR: This will introduce Maj. C. W. Buttz, formerly a resident of Virginia, and an ex-member of Congress.
I have known Maj. Buttz for twenty-five years, and you will find him an honorable, worthy gentleman. He has some business here before the Land Office and desires your assistance.
Yours, respectfully,

JAS. W. WALKER.

Mr. HUNTON. As I said, I did not read the letter when it was presented; but when Mr. Buttz told me that he wanted to see me on private business I invited him into the parlor. We went in, and he began by saying some complimentary things about father. He then began to speak about my course in the last legislature of Virginia, and said some pleasant things about it. I think at that point, though it is very hard to fix the sequence, he referred to the letter of introduction, and said that he purported in the letter to have some business before the Land Office, but that he wanted to see me about a different matter. He said he wished to employ me as a lawyer in a matter in which he was willing to pay a contingent fee of $15,000. I told him to state his business. He said that he was very much opposed to the passage of the tariff bill as reported from the Finance Committee of the Senate, and that he was particularly interested in the defeat of the income-

tax feature of the bill; that there were some arguments against the measure which he wished me to understand and present to my father, and that if they succeeded in convincing him, my father, he would pay me a fee of $25,000—if he voted against the bill. He said that the bill was already defeated by a majority of three votes, but he wanted to make it absolutely certain, and therefore wished my father's vote. I told him at once, and very positively, that I would not for a moment consider a proposition to receive compensation for the purpose of influencing my father's vote in the Senate. He at once dropped the subject—my manner was determined—and began talking indifferently about other matters. I can not detail all of that. He talked, possibly, somewhat generally, about the tariff bill, although to a very limited extent, and he then gave me something of his own history.

The CHAIRMAN. What did he say about his own history?

Mr. HUNTON. He said that he had been a resident of Virginia soon after the war; that he was anxious for a nomination from the Norfolk district when Platt was nominated, the man who had a contest in the House with Mr. John Goode some years ago, but that he failed in that nomination in some way; that he afterward fell out with Governor Wells, and was a participant in the Walker movement, which resulted in the election of Gilbert Walker as governor of Virginia. He told me that after that he moved to South Carolina, and was elected to Congress from South Carolina. He then told me that he had gone to one of the Dakotas, and was now a Populist. That is about all I can recall of the conversation. During this general conversation he returned again to this proposition to employ me.

Senator DAVIS. What did he say in that second attempt?

Mr. HUNTON. I can not tell you. It made the impression on my mind that he wished to come back to the subject; but what it was that he said to create that impression I can not state. I at once told him that that subject was an ended matter between us, and I wished to hear nothing further about it. That, I believe, is all of the conversation that I can recollect.

Senator DAVIS. How long was the man in your house?

Mr. HUNTON. It is very hard to form an estimate; I should say fifteen minutes. It was on Sunday, and dinner was rather earlier than usual. The dinner bell rang, I showed him to the door, and went to my dinner. After dinner—I can not fix the time at all accurately; I would say it was in the neighborhood of 5 o'clock, as nearly as I can come at it, possibly earlier, if anything—I was lying down in my chamber when the doorbell rang. The servant happened in the chamber, and I told her when she answered the doorbell to say we were lying down. She returned in a very short time and brought with her a card from this same man. I am sorry to say that I did not preserve that card. Upon it, however, was a certain address in Washington, and written in pencil the request that if I came to Washington during that week to let him know that I was here. The man had left when the woman returned with the card.

Senator DAVIS. Do you remember that address?

Mr. HUNTON. I do not. I am satisfied it was F street. My recollection is vague and can not predicate anything upon it. The impression made upon my mind during this inquiry was that it was the purpose of this man to employ me as a lawyer to present to my father legitimate arguments against this bill. I was in my own house. It was on Sunday. It was on the 1st of April, before any considerable amount of talk had come to me, at least, of a use of any corrupt means in connec-

tion with this bill. I was absolutely unsuspicious. My father has arrived at the age of 70 years; a number of them have been spent in public life. He held a position in the body that determined the formation of this Government for four years, the result of which was decided by a vote of one majority. His character was always above suspicion. I, myself, at least my life has been open. I felt that to some extent I had such a reputation as to render me free from suspicion; that by my own life, as well as by inheritance, under my own roof, I should have been at least protected from an approach of a corrupt character. I therefore say that I was entirely unsuspicious; that it never crossed my mind during the interview that it meant what I now believe to be its true import. Had I understood it in the way in which I now believe it to have been intended, and as subsequent events have confirmed it to be, my conduct with Mr. Buttz would have been very different from what it was.

I think it was the natural light in which to receive a statement of this sort under those circumstances. I believed that it was nothing more than an effort to employ me as counsel to present legitimate arguments to my father for the purpose of controlling his vote, so far as those arguments could, in the Senate. Such employment was abhorrent to me and was positively and promptly declined, for the dual reason that I was unwilling to accept compensation in such a service, and for the additional reason that I believed the bill contemplated was one that should pass. It was one that the party to which my father belongs was committed, and under no circumstances would I consider a proposition of that sort for a moment. The proposition for his compensation to me I should not say lasted over two minutes. He never renewed it, although this attempt to renew it I thought I discovered.

Permit me to tell what I subsequently did in the matter. My father returned home, on the Saturday, I think, of that same week. I at once, at the dinner table, told him of it, and we discussed the conversation. The repellent character of the interview grew upon me. I read the letter of introduction for the first time after the man had left, and so far as I could recall I had never known and had never heard of the man who gave Mr. Buttz the letter of introduction.

Senator DAVIS. Let me ask right there if Mr. Buttz said a word in that interview about any business in the Land Department?

Mr. HUNTON. Except that he alluded to the letter of introduction to say that that purported to be his business there, but that was not his true business. The man who gave the letter of introduction has since been identified, and I am confirmed in my belief that I had never seen nor heard of him before.

I went to dinner, and there this conversation was discussed. The repellent character of the interview grew upon me; my indignation began to increase; I talked with friends about it as they came in my way, and its true character occurred to me. I think on the Saturday of that week, certainly the latter part of the week, my father returned from Washington, and very soon after he arrived I told him of the whole matter. He and I talked it over quite fully; discussed as to what should be done by either or both of us, and it was determined that he should go to Washington and inform some of his Senatorial friends what had occurred; lay the whole matter before them for their judgment. These occurrences having taken place in the week beginning the first of April, I think my father went to Washington the 8th or 9th.

Senator LODGE. The 9th——

Mr. HUNTON. The 9th. I think he returned quite early that week

sick. He told me that he had conferred with some of his friends here, and that the result of the conference was that I should write a statement of what had occurred, as well as I could remember it, and give him the letter of introduction, that he might have it with him; that if the occasion arose upon which it could be done, or if his friends thought it was proper that any steps should be taken in the matter, the material would be at hand. I have a copy of that letter if you gentlemen wish it.

Senator LINDSAY. I think it would be better to have it come in.

Senator ALLEN. Let it go in as a part of Mr. Hunton's statement.

Mr. HUNTON. I would rather have it go in. I think I have stated everything in it. I did not make one point plain in this statement. There is one omission from the letter, and that is as to his statement about the business before the Land Office. I think that is not in the letter. There is another point in the letter I do not make clear, and that is, when the card was brought me the man had left. He was not at the house, and I was in deshabille in my room. I can recall nothing further.

The CHAIRMAN. You can look over the letter and refresh your mind on any points about which you wish to speak.

Mr. HUNTON. I have looked over it, and will do so again.

Senator LINDSAY. Did this man tell you he represented anyone?

Mr. HUNTON. He told me that he was opposed to the tariff bill as reported from the Finance Committee, and was especially opposed to the income-tax feature of that bill.

Senator LODGE. Did he say he represented anyone, or acted as counsel or agent for anybody?

Mr. HUNTON. I can not say that he made it any stronger than he was especially opposed to the income-tax feature of that bill. Whether he said he represented those who were opposed to the income-tax feature of the bill, I can not tell; I do know that he created the impression upon my mind by his statement that his special object was his opposition to the income tax. I think I made that comment to him in the conversation, that it was a curious position for a Populist.

Senator DAVIS. How long had you known Mr. Walker, who gave that letter of introduction?

Mr. HUNTON. To my knowledge I had never seen him in my life. As I told you, I did not read his letter until after the man left. After he left the interview was very much enhanced in my mind, from the fact that he came with credentials from a man who, if I had ever known, was such a casual acquaintance that I could not recall having heard of him. Since then the man Walker has been identified, and I can not recall that I had ever heard of him. He was a Virginian.

Senator DAVIS. Did Mr. Buttz give the name of any man in this business who had money?

Mr. HUNTON. No.

Senator DAVIS. Did he claim to represent any business interest, sugar or otherwise?

Mr. HUNTON. Unless he represented those who opposed the income tax; that was all he represented.

Senator LODGE. As I understand you, it was the income-tax feature and not the customs feature?

Mr. HUNTON. Yes. He told me that he was interested in the defeat of the tariff bill as reported by the Finance Committee, and that he was especially opposed to the income-tax feature.

Senator DAVIS. And his first offer was $15,000?

Mr. HUNTON. Yes; a contingent fee of $15,000.

Senator DAVIS. And he afterward increased his offer to $25,000?

Mr. HUNTON. After he completed his business he stated the result——

Senator DAVIS. Did you in the meantime say anything by way of repulsion of his offer that caused him to raise his offer?

Mr. HUNTON. Nothing at all. I think I had been absolutely silent during the statement of his business, as well as I can recall.

Senator DAVIS. Did he say when it was to be paid?

Mr. HUNTON. No; he did not discuss the details at all.

Senator DAVIS. What was the contingency upon which it was to be paid?

Mr. HUNTON. Upon the vote of father against the tariff bill.

Senator DAVIS. Not upon the defeat of the bill, but upon your father's vote against it?

Mr. HUNTON. His vote, as I understood it.

Senator DAVIS. Did he submit any written argument, or wish you to submit one to your father?

Mr. HUNTON. No; we did not discuss the details at all. As soon as the proposition was detailed it was repulsed, and there was an end of the conversation.

Senator LODGE. You, of course, knew absolutely nothing about him except what was stated in this letter, and that was from a man whom you did not know?

Mr. HUNTON. I did not know at the time.

Senator LODGE. I know that is all you knew absolutely about it?

Mr. HUNTON. Never heard about him. When he figured in Virginia politics it was in my youth, and I did not remember him.

The CHAIRMAN. In what form did the man Buttz make the statement that $15,000 and afterwards $25,000 would be given to you?

Mr. HUNTON. What form?

The CHAIRMAN. Did he say that he would give it, or it would be paid you? Do you recollect that?

Mr. HUNTON. I could not tell whether he said he would pay me a fee of $15,000 or $25,000, or that it would be paid.

The CHAIRMAN. Did he say, "I will pay you?"

Mr. HUNTON. I could not tell you what his language was.

Senator LINDSAY. Did he tell you he was an attorney?

Mr. HUNTON. I think not.

The CHAIRMAN. You said here that he wanted to employ you in some business, and was willing to give you a contingent fee of $15,000.

Mr. HUNTON. Yes.

The CHAIRMAN. That was said before his business was stated. After his proposition was stated he wound up by saying $25,000?

Mr. HUNTON. Yes.

The CHAIRMAN. That is as nearly as you can recollect—a contingent fee of $15,000, and afterwards $25,000?

Mr. HUNTON. Yes.

Senator ALLEN. Did you ask Buttz whether his visit to Warrenton was principally on this business or not?

Mr. HUNTON. I asked him no questions whatever. I understood that his proposition was formulated and completed, and I closed the subject.

Senator ALLEN. Did you learn from him where he had been spending the winter?

Mr. HUNTON. I did not.

Senator ALLEN. Or whether he professed to be an attorney or not?

Mr. HUNTON. I do not know. He registered at the hotel from Richmond, so I have been informed. I have never looked at the register.

Senator ALLEN. Did you gather from his conversation at any time that he was representing himself particularly on some other business or interest?

Mr. HUNTON. That was a mere matter of inference. I think I have stated the facts as fully as my memory permits.

Senator ALLEN. Your conversation with him did not lead you to suppose that he was personally interested in the defeat of the bill?

Mr. HUNTON. No. Several of you gentlemen asked me whether he was an attorney. He told me, I think, that he was a Populist farmer in Dakota.

Senator ALLEN. Did he say to you how he came to be in Washington or Warrenton?

Mr. HUNTON. No. I think he said that he had come to Warrenton to see me about this business. I think he said that.

Senator ALLEN. But during the conversation did he say anything that indicated that he came on his personal responsibility, to protect his own interest, or as an agent or attorney for some other interest?

Mr. HUNTON. I think I have given everything of the conversation.

Senator ALLEN. You formed a conclusion yourself at the time with reference to that?

Mr. HUNTON. I think I did.

Senator ALLEN. What was that?

Mr. HUNTON. My belief is that he was not speaking for himself.

Senator ALLEN. That he was speaking for somebody else?

Mr. HUNTON. He said he was representing those who were opposed to the income tax. My own judgment was that he was not a man who was opposed to that tax individually. But that was a pure matter of inference.

Senator ALLEN. Did he indicate in this conversation that it was an organized attempt to defeat the income tax?

Mr. HUNTON. No further than I have told you.

Senator ALLEN. He did not tell you who the persons were or where they resided?

Mr. HUNTON. No.

Senator ALLEN. You did not think that a Dakota farmer had much interest in the income tax?

Mr. HUNTON. I think not. I think I remarked to him that it was a very singular position for a Populist farmer to occupy.

Senator DAVIS. What did he say to that?

Mr. HUNTON. I can not recall.

Senator LODGE. He did not bear the evidence of being a Populist farmer or any other farmer, did he?

Mr. HUNTON. No.

Senator LODGE. Were you impressed with anything peculiar about the man's manner?

Mr. HUNTON. The impression made on my mind was that he was a man of blunted sensibilities; that he came to my house to make a proposition that was intensely disagreeable to me. During the conversation and as soon as the proposition was made, I stopped talking. I suppose it was marked—the idea I was conveying by my manner, that I did not wish any further talk and that the time to leave had come, and he said, in a rather deprecating way I thought, "Am I detaining you from anything?" And I rather reproached myself mentally. I thought, "This man has made a proposition which is very unpleasant to me; possibly

he is a man of blunted sensibilities; he does not see this matter as I do, and I am being rude to him in my own house." I said, "No;" and he went on with his autobiography.

Senator ALLEN. Did he inform you as to where his residence was or his office in this city was at this time, or explain that he had this letter of introduction to you?

Mr. HUNTON. No.

Senator ALLEN. You did understand from him that he had met this man Walker in Washington?

Mr. HUNTON. Yes; and I think I understood from him that he came from Washington.

Senator ALLEN. You mean Mr. Buttz?

Mr. HUNTON. Yes.

Senator ALLEN. Did you understand from him who Walker was?

Mr. HUNTON. I did not. His name was not called that I remember.

Senator ALLEN. However, you understood that they were together in Washington in some way, or inferred that?

Mr. HUNTON. No; I drew no inference with regard to Mr. Walker. The letter was not read until after Mr. Buttz left.

Senator ALLEN. You say you have since learned who Mr. Walker was?

Mr. HUNTON. I am told he was a man from Madison County, Va., and that he was at one time a member of the Virginia legislature.

Senator ALLEN. Do you know where Mr. Walker makes his residence?

Mr. HUNTON. I do not.

Senator ALLEN. Do you understand him to be a resident of this city?

Mr. HUNTON. I understand he is here, but I do not know whether he is a resident or not. At one time he lived in the southwestern section of my State.

Senator ALLEN. You did not gather any idea as to his business?

Mr. HUNTON. No. He did not wish father to know that I was to receive a fee in the matter. He did state that.

The CHAIRMAN. Is that a fact?

Mr. HUNTON. Yes. It is also a fact that he said father's public life was at an end.

I would like this letter to my father to form part of my statement here.

The letter is as follows:

WARRENTON, VA., *April 16, 1894.*

MY DEAR FATHER: As requested by you, after conference with some of your friends, I desire to state all of the facts as accurately as I can connected with the occurrence at my house on Sunday, April the 1st.

I was at home and answered the doorbell in person. A man was there and asked for me. Learning who I was, he presented a letter of introduction. Without reading the letter of introduction, except to glance at it to ascertain the man's name, which I had not heard, I invited him in the parlor, he having stated that he wanted to see me privately on a matter of business. I inclose the letter. He commenced talking to me about you. He then spoke pleasantly of my course in the legislature last winter. He said he wanted to employ me in some business, and was willing to give me a contingent fee of $15,000. I told him to state the business. He stated that he was very much interested in defeating the tariff bill as reported from the Senate committee, and that he was especially opposed to the income tax feature of it, and that he desired to present to you certain arguments against the bill, and that he desired to inform me of these arguments that I might present them to you, and that if I succeeded in convincing you, and you did vote against the bill, he would pay me a fee of $25,000.

He stated also in the conversation that the bill was already defeated by a majority of 3 votes, but that they desired to make the matter absolutely sure, and were

anxious to secure your vote, but that he did not wish you to know that I was to receive a fee in the matter. He also stated that your public life was about at an end.

I at once told him that I would not for a moment consider a proposition to receive money to try to influence your vote as a Senator. I told him this in a very positive way and the subject was dropped.

He remained a short time longer talking about indifferent matters, during which he told me that he had been a resident of Virginia for a short time after the war, and joined in a movement that resulted in the election of Walker as governor, although a Republican; that he had desired to be nominated for Congress when Platt had first been nominated by the Republicans in the Norfolk district; that he had moved to South Carolina and represented a district in that State in Congress as a Republican; that he was now living in one of the Dakotas and was a Populist.

During the general conversation he sought to again direct the conversation to his proposition to me. I told him I desired to hear nothing further from him on that subject.

After dinner the doorbell rang, and I told the servant to tell whoever might be there that I was lying down. She returned with a card from this man with the request written on it that if I were in Washington during the week I would inform him of it at a certain address. This card I did not preserve. I have neither seen nor heard of this man since.

I have stated all that occurred as accurately as possible, and I am sure I have stated the interview with absolute accuracy, but without any effort to give the language and with no doubt as to its accuracy, except as to the order in which statements were made.

Your affectionate son,

EPPA HUNTON, JR.

Gen. EPPA HUNTON,
Washington, D. C.

SWORN STATEMENT OF SENATOR JAMES H. KYLE.

The CHAIRMAN. You are a Senator from the State of South Dakota?

Senator KYLE. Yes.

The CHAIRMAN. And are serving out your term now in the Senate of the United States?

Senator KYLE. Yes.

The CHAIRMAN. How long have you been a Senator?

Senator KYLE. Beginning March 4, 1891, to end March 3, 1897.

The CHAIRMAN. Have you been in attendance on the present session of the Senate continuously?

Senator KYLE. Yes; continuously since the 5th day of January.

The CHAIRMAN. Will you state to the committee in your own way all you know in regard to an alleged attempt to bribe you by someone to influence your vote on measures pending in the Senate?

Senator KYLE. I will state that I did not consider it a matter of very great importance at the time that such a thing occurred; but I was approached by a gentleman in the neighborhood of two months ago, during the last week in March, and several times. The gentleman referred to is known as Maj. C. W. Buttz, of North Dakota, whom I had known for some time. In fact, he had been to my committee room in reference to certain amendments to the sundry civil bill. I knew him as Maj. Buttz, of North Dakota, who had formerly been a member of Congress from South Carolina, who had the privilege of the floor of the Senate and the House, and whom I had seen for two or three years around Washington.

The CHAIRMAN. Did you know him during his residence in North Dakota?

Senator KYLE. No; I had not known him there at all, except I had known him by hearsay. The first time I met him was in Washington, he having approached me in reference to certain amendments which he wished made to the sundry civil bill.

The CHAIRMAN. When did you meet him?

Senator KYLE. The latter part of January or first of February.

The CHAIRMAN. Of this year?

Senator KYLE. Yes. The amendments I considered all good, and I went before the Judiciary Committee to make a statement about one amendment to the sundry civil bill. Later he probed me to know what I thought of the tariff bill. That was during the last week in March. He came to my house one morning about 8 o'clock, and opened up the conversation about his proposition, his amendments, and wanted to know if they could not be considered in committee during the week.

The CHAIRMAN. These were amendments to the sundry civil bill?

Senator KYLE. I told him that I would go before the committee to argue the acceptance of an amendment relating to some land claims in the State of Montana. He asked me if I was going down to my committee room. I said yes, and he said he would walk along with me. On our way from my house down to my committee room, he asked what I thought of the tariff bill. I said I thought it was an improvement on the McKinley bill. He said: "You are not satisfied with the bill, are you?" I said: "No, many things I am not satisfied with." I did not care to define the particular things. He said: "How do you intend to vote on the tariff bill?" I said I would not state how I would vote. He said if certain amendments were offered and the income-tax amendment is killed, could I vote for the bill? I said I could not vote for the bill if the income-tax feature were taken off. I said: "I am not prepared to say what I should do." He said: "We have the income-tax feature killed; we have 11 votes against that feature."

The CHAIRMAN. Eleven majority?

Senator KYLE. Eleven majority. He said, "We have a majority of 3 against the whole bill." He said, "The bill will be defeated." I said, "I do not know anything about that; I could not say what shape the bill is going to be in until we get through with the amendments; never can tell." He said, "We have great interests to look after in the Northwest; we have wool, barley." I said, "I recognize that." He said, "You know the Northwest is developing as a sheep country, and grain country, and all this, and you ought to look after the interests of your constituents." I said, "I expect to look after the interests of my constituents when I vote." He said, "I would like to have a talk with you"; and he handed me a report on the wool interests made by Senator Mitchell—not a report, but a memorial presented by the woolgrowers. He asked me to look it over. I did not state to him what I expected to do, but I told him that I would look the matter over carefully and expected to cast a vote that would be in the interest of the woolgrowers of South Dakota, because my people were interested in that industry. The next day, I think, or the next day or two, he came to my house again in reference to his amendment.

Senator ALLEN. An amendment to the sundry civil bill?

Senator KYLE. Sundry civil bill. That was ostensibly. He did not mention but a few words about that. He walked down to the Capitol again and asked what I thought of the memorial presented by Senator Mitchell. I told him that I had not read it. He said, "It is to your interest to vote against the bill if they are going to put wool on the free list." I told him that I expected to cast a vote when the time came that would be in the interest of my constituents. He said, "the matter is of very much interest to us up there." I said, "I am interested, too—my constituents are interested in wool." He said, "there is something in it if we defeat this bill; it is defeated anyhow; the

income tax is defeated by 11 majority; you fellows can not vote for the bill with the income tax off; but what you do we want you to do conscientiously—we want you to vote against this bill." I said, "Is that so?"

My first feeling, of course, at such a time as that, was to give the man a kick and land him to the other side of the street; at the same time, I felt a special interest in the matter of bribery. I had often heard that money had been used to influence legislation in the U. S. Congress, and my idea was to get hold of any facts, to see if there was any money being used to defeat this bill or any other bill. I concluded to lay the trap to see if he would fall into it. I asked him how much was in it. "Why," he said, "there is a good deal in it;" and he said, "there are men here who are trying to defeat this bill, and they have the money to defeat it, and you might as well have your share of it." I said, "Who?" He said, "There is a syndicate organized to defeat this bill, and they represent a good deal of money." I said, "Is that true?" He said, "Yes; it is true." And he said, "They have their representatives here in Washington." He said, "The other side has their money furnished by England; I understand that is true; but they have a syndicate organized to defeat the bill, and I have seen the man who has the money here—he is here in Washington, and he has asked me to see certain parties in the Northwest, and thought you were independent, did not know how you were committed on this bill, and I want to know how you feel about it; do not consider this as a bribe, but I want to know whether you are going to vote against the bill, and we will see that you are taken care of; we have the money to see that you are taken care of."

I said, "How much will they give a fellow?" He said, "You can have any sum you name; we have three votes now against the bill, a majority against the bill, but we want to make sure in case any man slips up before the final vote—you can have any sum you name, $50,000, $75,000, or $100,000." Says I, "I have not read this report yet; you come to see me again at my committee room," and we parted then. He came to see me at my committee room another day. It occurred in the last week of March. I am sorry I did not take down the particular date, but it was just shortly after Mr. Mitchell presented his memorial on wool. It was after this copy came out he presented it to me and asked me to look it over. He came in the committee room and went over the same conversation we had gone over before, all but the point about the money. He said, "This agent is here in Washington, and he has the money with him, and he has authorized me to say that I can give $15,000 to any man who will vote against this bill—that I can have $15,000 for this purpose, you can have $14,000 for that and I can have $1,000 myself." I said, "That is a pretty good sum to offer for a vote." He said, "You may hesitate, of course, about doing this; you need not figure in the matter yourself at all; I can have this money go to your secretary or any member of your family—you need not figure in the matter at all so that anybody need know that you had anything to do with the matter at all."

Said he, further, "This is a matter of interest to you; it is one chance in a lifetime to get a good sum of money." He said, "I need the money, too; you know how we have to struggle up in the Northwest. I have been down here all the winter presenting claims, and I have to do it on a percentage, and I do not get the percentage until the cases are through; a thousand dollars would be a good deal to me." Said I, "It is not exactly the straight thing for a man to enter into a combination

to take a bribe for a vote on a bill of this kind." He said, "Why, you might just as well have your share, and need not figure in the matter at all; there are a great many down here do it, quite frequently; prominent men do such things as this." Said I, "I will see you further about this."

The CHAIRMAN. Did he name any men who had done it?

Senator KYLE. No; he did not name any men. Said I, "Is this money in Washington?" Said he, "Yes; it is in Washington; the agent is a banker and is from New York: he has been here, got the money, and is acting as agent for this syndicate that has the money to defeat the bill." Said he, "I have met him." I asked him to go back again and see what arrangements we could make, etc., with this agent. He went back to the agent, and reported the next day.

The CHAIRMAN. That is, reported that he had been back?

Senator KYLE. Reported that the agent was very anxious that the matter should be fixed at once. He said he would put the money in the hands of some parties from whom it could be gotten as soon as the vote was cast. He said if he could not settle it with the man he was working with, then he would strike some other party. I told him to come around the next day; I wanted to see him further about the matter. I was going down to the Department; he wanted to talk very badly, and when we got down town near one of the hotels I told him, "Now, Buttz, you have gone through this whole matter very carefully, and I want to say here that I shall vote for this bill or against it as my own conscience shall dictate, but I do not want any money for it; that no money shall figure in the transaction whatever." Said he, "You might just as well take it; we can put it in the hands of a third party, your secretary or whomever you may name; you need not figure in it at all." I said, "I do not care for your money; you had better see my secretary; my secretary and I were members of the legislature of South Dakota. We worked together in all matters, and I want you to see him."

Senator DAVIS. What is your secretary's name?

Senator KYLE. Duncan S. McFarlane.

The CHAIRMAN. What object had you in referring Mr. Buttz to your secretary?

Senator KYLE. I am going to state. I said, "I want you to see my secretary and explain the matter fully to him." I thought I had gotten him as far as I could carry him, and I wanted to get from him the names of the party from whom he expected to get the money, and after I had got out of him all that I wanted, I wanted him to see my secretary and have him corroborate it as a witness, because I thought as the bill progressed something of the kind might come up, charges of bribery, and I wanted the fact in my own mind that the money had been offered to members of Congress to vote upon a particular question as they might wish. I had often heard of the fact, and I wanted it established, and I had it all stated to my secretary that he might corroborate it.

I will state further in regard to this that after the first time that I met this gentleman I went to the Senate Chamber and told Senator Bate the fact that money was being used to try to defeat the present tariff bill. That was, I think, after the first time I met Mr. Buttz. After the first day I met Mr. Buttz I talked the matter all over with my secretary, Mr. MacFarlane, and told him everything Mr. Buttz stated. After the second meeting I stated the whole circumstances to my secretary. After the third meeting I stated all the circumstances

to my secretary, in order that he might be posted as to what was going on, and the statements that he made to my secretary were jotted down on a piece of paper.

Senator LODGE. The statement that he made in the presence of your secretary was taken down?

Senator KYLE. Yes.

Senator DAVIS. After you desired him to do it, Mr. Buttz went to your secretary and restated the whole thing?

Senator KYLE. Yes.

The CHAIRMAN. What did he say when you suggested that he go to your secretary?

Senator KYLE. He said, "Will it be all right if I go to Mac?" I said, "Go to Mac and make whatever statement you choose, because I want him to know everything that is going on." I told him that it would be entirely satisfactory whatever he did with him. I went to Senator Voorhees and stated to him that there was an attempt being made to defeat the present bill, and to watch out. Senator Coke was there at the time, and I told him. I did not tell him the name of the party, but to be on the lookout. I then let the matter drop, and did not expect to use it publicly, but had all the facts in case it should be brought out, not only in defense of myself, but I intended to use them in some campaign I was going to carry on.

I do not know that I have gone over this fully or stated all the particulars of the interviews. If you choose, I will be glad to answer any question.

The CHAIRMAN. If you have any memoranda, just use them to make your statements as full as possible.

Senator KYLE. I think I have covered nearly all. I repeated to my secretary the last interview, told him that I had sent Mr. Buttz to him, and instructed him to meet him the next morning or evening, I have forgotten which—the secretary has the point in connection with that—and to be prepared to take down anything Mr. Buttz said to him; to have it all in good shape. My secretary has all the facts, and as he stated them to me, I have gone over them particularly.

The CHAIRMAN. Is he in town?

Senator KYLE. Yes.

The CHAIRMAN. Is he at the Capitol?

Senator KYLE. Yes; and as I said, he corroborated everything I stated to him.

Senator DAVIS. When did your personal acquaintance with Mr. Buttz first begin?

Senator KYLE. I think it was about the time the sundry civil bill was reported this spring.

Senator DAVIS. This session?

Senator KYLE. Yes; this spring.

Senator DAVIS. You had not known him personally before?

Senator KYLE. I had not known him personally, except by hearsay, as being a member of Congress from South Carolina and a man who lived in North Dakota.

Senator DAVIS. What did you understand his business in North Dakota to be?

Senator KYLE. Farming up in Buttzville.

The CHAIRMAN. Do you know as a fact that he is a farmer?

Senator KYLE. Only that I have been told that he is a farmer. He told me that he had to go back there.

Senator DAVIS. This amendment to the sundry civil bill is in reference to the repeal of a statute relating to land interests?

Senator KYLE. Yes; I introduced that amendment for Mr. Buttz.

Senator DAVIS. The one that was introduced by you a short while ago?

Senator KYLE. Yes.

Senator DAVIS. He said that there were two classes of men here, one to pass the bill, the other to defeat it with money—one English people and the other people of the United States?

Senator KYLE. He said there was a syndicate organized to defeat this bill; that they had an unlimited supply to do it with; and he said the other fellows have the money to pass the bill.

Senator DAVIS. Where did he say that money was to come from?

Senator KYLE. That is what he said.

Senator DAVIS. Did he say how much money was at the disposal of either of these interests for that purpose?

Senator KYLE. No; only an unlimited amount, the one he represented.

Senator DAVIS. Did he say where the money was?

Senator KYLE. He said the money was raised in the East. The syndicate was a New York syndicate, the agent was from New York and was here in Washington.

Senator DAVIS. What did he say about the money raised in England?

Senator KYLE. He did not speak about that; that was merely a casual remark to show that there was money raised on both sides.

Senator DAVIS. Not what interests—whether sugar, iron, or anything else?

Senator KYLE. No. In all his remarks to me he did not specify, but referred to the bill as a whole.

Senator DAVIS. Did not say what interests, whether sugar, iron, wool, woolens, or any other interests comprehended in the pending bill, this money had been raised?

Senator KYLE. He did not specify any particular thing for which the money had been raised, but generally to defeat the bill. His own individual interests he referred to. He was interested in wool, and used that as an argument why I should defeat the bill, my own State being a wool State.

Senator DAVIS. Did Mr. Buttz ever approach you after you directed him to see your secretary?

Senator KYLE. No.

Senator DAVIS. Did you ever have any conversation with him since?

Senator KYLE. No; I think he went off to North Dakota.

Senator DAVIS. You have just returned from South Dakota?

Senator KYLE. Yes.

Senator DAVIS. Have you seen Mr. Buttz since then?

Senator KYLE. No.

Senator DAVIS. In your conversation you gave him to understand that you were to vote for this bill, and rejected any money consideration?

Senator KYLE. I absolutely rejected. I told him that I should vote for or against this bill as my conscience would dictate.

Senator DAVIS. Having so rejected him in that way—his proposition—why did you refer him to your secretary?

Senator KYLE. For corroboration of these facts.

Senator DAVIS. When did it first occur to you to refer him to your secretary?

Senator KYLE. My first thought was to conceal my stenographer behind my screen in my committee room, but I could not do that properly, because he might come behind the screen.

Senator DAVIS. When did you conceive that thought?

Senator KYLE. From the start, the first time I started my conversation.

Senator DAVIS. Why did you not refer him to your secretary before you rejected his proposition?

Senator KYLE. My object in waiting was finally to get out of him all that he would state in regard to the source of this money that was being used—the parties that were using it. I wanted to get the name of the agent here in Washington. I made the statement to him in this way, when we came down last—I said, "You can not use any money with me, whatever; you go and see Mac and state all these facts to him, just as you have stated them to me."

Senator DAVIS. What did he say when you told him that?

Senator KYLE. He said, "Will it be satisfactory if I make these statements to him?"

Senator DAVIS. What did you say?

Senator KYLE. I said, "You go and make these statements to Mac." I did not say they would be satisfactory to him. He said, "May I go and see Mac in regard to this?" I said, "You may go and see Mac."

Senator DAVIS. Was your answer to his question, "What you arrange with Mac will be satisfactory?"

Senator KYLE. No; I did not say that it would be satisfactory if he made the statement to Mac.

Senator DAVIS. State what you did say.

Senator KYLE. Buttz at that time wanted to know—I said, "You go and see my secretary." I was playing the ruse all the while in order to get my secretary as a witness. I said, "You go and see my secretary; I do not want to do any business publicly, openly, myself; I want my secretary in this thing with me, if we are going into it." He said, "Can I go and see Mac?" I said, "Yes; go and see Mac."

Senator DAVIS. Was this conversation which you have detailed after you rejected Mr. Buttz's proposition?

Senator KYLE. He did not understand, because I was playing a ruse. I told him that I did not want any money for this; that I had absolutely rejected it—I did not want to give that impression.

Senator DAVIS. Was this conversation directly after what you said about voting on this bill on your conscience without any money consideration?

Senator KYLE. The statements that I made were just as I gave them to you a moment ago.

Senator DAVIS. Which was first and which was second?

Senator KYLE. After I told him that I should vote for the bill or against it according as my conscience should dictate, said he: "The money need not go to you in anyway whatever; some third party can receive it—your secretary or some member of your family."

Senator DAVIS. Then you told him to go to your secretary?

Senator KYLE. Not at all; I told him to go to my secretary before that.

Senator DAVIS. It was after you told him to go to your secretary that you told him that you should vote for the bill without any money consideration?

Senator KYLE. I told him beforehand to go to my secretary. Then I had a conversation with him about my own position on those ques-

tions, and then to go and see my secretary further in regard to this, because we always had our dealings together. I wanted him to make the statement to my secretary as he did to me, in order to corroborate the fact that he was using money for bribery.

Senator DAVIS. What we want to know is whether you told Mr. Buttz to go to your secretary before or after you had rejected his proposition.

Senator KYLE. I told him to go to my secretary two or three different times.

Senator DAVIS. You rejected his propositions but once, did you?

Senator KYLE. I rejected his propositions emphatically, and said, "You can go and talk with Mac; Mac will know how I vote on this bill."

Senator DAVIS. Was that before or after you rejected his propositions?

Senator KYLE. That was after I rejected his propositions.

Senator DAVIS. You understand that Mr. Buttz did go and talk with Mr. McFarlane, and Mr. McFarlane understood him to make the same propositions to him (McFarlane) that he had made to you?

Senator KYLE. Understood that he would give $15,000; he had $15,000, $14,000 of which he would give to him in case I voted against this bill.

Senator DAVIS. Did you inform Mr. McFarlane, when you indicated that Buttz would probably come to him, that you had rejected Buttz's propositions?

Senator KYLE. Yes; I told him from the start everything I knew about it.

Senator DAVIS. McFarlane understood that you were playing a ruse on Buttz?

Senator KYLE. Yes; I told him the first day. I came down to the committee room and told McFarlane everything that transpired—that I was leading Buttz into a trap.

Senator DAVIS. You have had no letters from Mr. Buttz since this began?

Senator KYLE. No.

The CHAIRMAN. I understand, then, that after these various conversations with Mr. Buttz, in which he opened up to you the scheme by which the bill was to be beaten, you finally told him one day, when you thought you had gotten out of him all that you could, how you should vote upon that bill would depend upon the dictates of your own conscience, and that you could not take any money?

Senator KYLE. Yes.

The CHAIRMAN. After that you referred him to your secretary to talk the matter over with him, leading him to suppose that your objection lay in dealing directly with him, and left it to your secretary?

Senator KYLE. I wanted to play a ruse on Buttz.

The CHAIRMAN. When you rejected his proposition you were playing the ruse on him that though you rejected it personally you were willing for him to go to your secretary?

Senator KYLE. That was the ruse I was playing. That will explain the point to Senator Davis—that when he made the remark it need not come to me personally, I said that I would vote for the bill as my conscience dictated, and he said, "The money need not go to you personally, but may go to your secretary or any member of your family that you may indicate." I said, "You go to Mac and talk it all over with him."

The CHAIRMAN. Who is Mr. Mac?

Senator KYLE. Mr. McFarlane, my secretary.

The CHAIRMAN. Did Mr. Buttz know him?

Senator KYLE. Yes; he was acquainted with him before. I said, "You go to MacFarlane and talk it all over with him; we will read the bill over; he knows how I will vote on this bill. You go and talk it over with him and he will know how I vote in the matter."

The CHAIRMAN. I understand you to state that in this first interview that you had with Mr. Buttz, he said you could have any sum you wanted, from $75,000 to $100,000, and the only sum he offered was $15,000. How did he go back?

Senator KYLE. He said he had talked the matter over, and all he could let me have was $15,000. He wanted to know if this was satisfactory.

Senator DAVIS. I think he said he declined to give the name of the agent here.

Senator KYLE. I did not ask him outright; I was trying to get him to state it of his own free will. But he did not state it to me and I was in hopes my secretary would get his name from him—the name of the agent who was here with the money. I do not know that he succeeded; I do not think he did.

Senator LODGE. I was not in when your testimony began, so that I may ask something already stated. You had known Buttz before this?

Senator KYLE. I had known him by reputation, of course; knew that he lived in North Dakota, had been formerly a member of Congress from South Carolina, and the fact that he was in Washington—had some business here before the Court of Claims, I think, as a lawyer, and that he was interested in one particular case relating to the Great Falls Town Site Company, in the interest of which he wanted an amendment introduced to the sundry civil bill.

Senator LODGE. He came to see you in regard to this amendment to the sundry civil bill?

Senator KYLE: Yes.

Senator LODGE. You introduced that?

Senator KYLE. Yes; I introduced that amendment, and I felt that it was a good measure. It had been defended on the floor by Senators Vilas and others two years before, and I think it should have gone through then, but it did not. It was defeated by Mr. Holman in the House. I offered it as an amendment to the sundry civil bill.

Senator LODGE. You considered Buttz, from what you knew of him, as a man who might be intrusted with large schemes of this kind, as a man to carry out such a scheme; that he was a man likely to be intrusted with an unlawful negotiation requiring the handling of large sums of money?

Senator KYLE. I considered him capable of doing business in this way. He had this large claim against the Interior Department of $100,000. He and Phil Thompson were interested together in it.

Senator DAVIS. What claim was that?

Senator KYLE. This claim before the Interior Department.

The CHAIRMAN. For himself, or another?

Senator KYLE. For another party whom he represents as a lawyer. He says that there are lands there valued at in the neighborhood of $100,000. They are at Great Falls. I never have been there, but I judge from the fact that as he was associated with Phil Thompson he is a lawyer of some importance. That gave him standing in my eye. I knew that he was a farmer living at Buttzville, a town named after him. I knew him to be a member of Congress from South Carolina and

entitled to the floor of the House. When he made the statement to me that he was looking after the Northwest in reference to this tariff bill I thought probably he was a man to be intrusted with this thing—that he was a man they would confide in, and properly, perhaps—he was a very sharp man, shrewd man, though his looks would deceive anyone, being cross-eyed. He looks very queer.

Senator LODGE. He mentioned no names to you?

Senator KYLE. No.

Senator LODGE. Simply spoke of a syndicate?

Senator KYLE. Syndicate here in Washington; and each day he had gone back and forth for the purpose of seeing this man. My hope was to get the name of the party.

The CHAIRMAN. Did you ask the name of the party?

Senator KYLE. I did not ask the name of the party. But I will say this: From the first day that he came to me I spoke to Senator Voorhees, to Senator Bate—Senator Bate was sitting near to me, and I told them to be on their guard; that money was being used around for the purpose of defeating the bill. I spoke also to Senator Coke, and told him and Senator Bate that a man was talking with me, and I was laying a trap for the purpose of catching him.

Senator LINDSAY. You told that to Senators Bate and Coke?

Senator KYLE. Yes. And I mentioned the matter to Senator Voorhees, I think, that money was being used to defeat the bill.

Senator ALLEN. This amendment to the sundry civil bill which you introduced for this man, as I understand it, was for the purpose of reinstating a contest then before the Interior Department and which had been once decided in favor of Mr. Buttz's client, but which decision was destroyed by reason of an act which was surreptitiously passed by Congress?

Senator KYLE. The bill passed Congress March 3, 1891, entitled "A bill to repeal the timber-culture laws," etc., in which there was a clause inserted intended to settle a great many disputed and contested cases.

Senator ALLEN. To quiet the title to certain lands?

Senator KYLE. Yes; to quiet the title to certain lands.

Senator DAVIS. By limitation?

Senator KYLE. Yes.

Senator ALLEN. The effect of that bill was to destroy pending litigation before the Interior Department?

Senator KYLE. To destroy what?

Senator ALLEN. For instance, there was a contest at this town of Great Falls, which had passed through the subland offices to the Interior Department, and which had been decided in favor of Mr. Buttz's client; that appeal was pending before the Secretary of the Treasury when this act was passed?

Senator KYLE. Yes; the contest was pending, and the effect of the bill was that it was not to affect contests then pending.

Senator ALLEN. And the bill was introduced by you to modify the act, so that it would not affect pending litigation?

Senator KYLE. Yes. I was told by the Commissioner of Public Lands that there were twenty cases so affected at the time, and at present two or three are affected by this amendment offered in the Senate.

Senator ALLEN. And this amendment which you introduced sought to repeal a certain clause which it was claimed was surreptitiously tacked on by a conference committee and passed?

Senator KYLE. Here is the case: There was not a member of the conference committee understood that that interpretation was to be

given to the law of 1891—understood that it was going to affect pending contests. Three of five members of the conference committee have written letters stating that they knew nothing of the pending contests.

Senator ALLEN. But the Interior Department construed the act of 1891 to affect those pending contests?

Senator KYLE. Yes.

Senator ALLEN. And this amendment was for the purpose of repealing this act, so far as it applies to that case?

Senator KYLE. Yes.

Senator ALLEN. And that is as far as you have had any connection with this man before the time that he approached you on the subject of the tariff bill?

Senator KYLE. That is the only one.

Senator ALLEN. You never knew anything about him personally before that.

Senator KYLE. No.

Senator ALLEN. Either as a corrupt man or as a lobbyist?

Senator KYLE. No.

Senator ALLEN. And all you know about him is as you formed your judgment when you from time to time met him?

Senator KYLE. Yes.

Senator ALLEN. He spoke to you on two or three occasions about defeating propositions in this tariff bill, and the first time was on the road from your house to the Capitol, when your first impulse was to use some violence toward him?

Senator KYLE. Sure.

The CHAIRMAN. Your impulse was to kick him across the street?

Senator KYLE. Yes.

Senator ALLEN. Your second impulse was to lay a trap to catch this man and those behind him?

Senator KYLE. Sure.

Senator ALLEN. Did you suppose that he was the outward representative of some person?

Senator KYLE. He said, "Right here is money you can have for that."

Senator ALLEN. You took him as the outward representative or agent of some syndicate?

Senator KYLE. Yes.

Senator ALLEN. Who had money?

Senator KYLE. The agent of the syndicate.

Senator ALLEN. Now, for the sole purpose of developing that fact, who these persons were, and the extent to which money would be used, you conducted these other negotiations?

Senator KYLE. For that sole purpose and nothing else.

Senator ALLEN. You had not the slighest idea of accepting his proffer?

Senator KYLE. To be sure, not.

Senator ALLEN. To that end you held two other conversations, for the purpose of developing these persons?

Senator KYLE. Two others; I think one in the street car.

Senator ALLEN. For the purpose of developing this bribery?

Senator KYLE. Yes.

Senator ALLEN. When you said to Mr. Buttz that you would not accept any money, or would act for or against the bill as it might present itself to you, he made the remark that you need not be known in the transaction; that the money could be given to your secretary or

some member of your family, or some third person, and reach you in that way?

Senator KYLE. That is true.

Senator ALLEN. For the purpose of laying the trap still further, and to make it more complete, so that you might have corroborate evidence of the facts, and with the hope that Buttz would develop the persons behind him in this scheme, you consented that he might approach your secretary, Mr. McFarlane, with whom he was acquainted, and unfold his purpose to him?

Senator KYLE. Exactly.

Senator ALLEN. Your sole purpose was to ascertain whether this man was representing a real scheme, and whether the money was really behind him, and the extent to which bribery was being practiced?

Senator KYLE. Solely so.

Senator ALLEN. You at no time had the slightest purpose of acceding to Buttz's wishes about the bill?

Senator KYLE. Not for one moment. From the first time my purpose was to lay a trap to catch the man, because I had heard that bribery had been resorted to in past years and I wanted to have a fact that I could put my hand on for campaign purposes.

Senator ALLEN. You felt that you could bear the insult to which Buttz subjected you if, by so doing, you could develop these propositions of bribery?

Senator KYLE. Yes.

Senator ALLEN. In this conversation with Mr. McFarlane, as I understand you, you told him from time to time exactly what Buttz said to you?

Senator KYLE. All these conversations that occurred each day I told after each meeting.

Senator ALLEN. Each day you informed Mr. McFarlane of your purpose to uncover this matter so far as you could?

Senator KYLE. Of laying the trap to catch this man.

Senator ALLEN. And when this man approached your secretary, Mr. McFarlane understood at the time, and the purpose was that whatever he might say to Buttz was for the purpose of catching Buttz and thus bind him?

Senator KYLE. The date was fixed for McFarlane to see Buttz for that specific purpose.

Senator ALLEN. And Mr. McFarlane, so acting on your suggestion and for that purpose, took a note of the conversation he had with Buttz?

Senator KYLE. Exactly so.

Senator ALLEN. Is Mr. McFarlane a shorthand reporter?

Senator KYLE. He is a shorthand reporter. I do not know how he took the notes down. He probably did not take them down in Buttz's presence, but he did it to keep track.

Senator ALLEN. Your conduct in this transaction has been to develop the extent to which bribery was intended to be practiced, and the persons by whom it was intended to be practiced?

Senator KYLE. Solely so.

Senator ALLEN. So far as Buttz is concerned, you never knew that he was a reputable or disreputable man?

Senator KYLE. I never knew anything about his character. I have seen something in the papers since, but not at that time.

Senator ALLEN. At the time that you formed his acquaintance in connection with this measure that you introduced for him, the repeal of the act of 1891, up to that time you had never seen him?

Senator KYLE. Never had seen him at all.

Senator ALLEN. And knew nothing about him, except that there was such a place as Buttzville, N. Dak.; a man by the name of Buttz, proprietor of the place?

Senator KYLE. Yes.

Senator ALLEN. At the time you examined that measure you thought it was a justifiable measure, and you so regard it now?

Senator KYLE. I do regard it so at present.

Senator ALLEN. There was nothing at that time, or any previous conversation, to indicate that Buttz was a corrupt man?

Senator KYLE. Nothing.

Senator ALLEN. Nothing more than like any other attorney having business before the Departments he was anxious to have the matter pressed through?

Senator KYLE. He came over to me and said Judge Holman had introduced it in the House, and he wanted somebody from the Northwest to introduce it in the Senate. He said: "Your colleague is on the other side"—and I knew he was—"and Senator Vilas had made speeches in favor of it."

Senator ALLEN. In meeting Mr. Buttz in connection with this bill which you introduced for him, you never thought anything about him, or anything of his conduct, or anything of his reputation in the direction of his being corrupt?

Senator KYLE. I knew nothing about the man.

Senator ALLEN. The first time that you knew the man was corrupt in his purposes was the time that he revealed his purpose to you on the road from your house to the Capitol?

Senator KYLE. That is so.

Senator ALLEN. Never before that time, by his conduct or his manner, did you know that the man was corrupt or had corrupt purposes?

Senator KYLE. That is true.

Senator ALLEN. And all your negotiations from that time on was simply for the purpose of developing the fact that bribery was offered and developing the persons who were using the bribery to reach Senators?

Senator KYLE. Solely so.

Senator DAVIS. Did Mr. Buttz ever disclose to you the names of any one of the 11 Senators who would vote against the income tax or any one of the 3 who would vote against the entire bill?

Senator KYLE. He did not tell those names.

Senator ALLEN. Did you ask him the names?

Senator KYLE. No.

Senator DAVIS. Will you kindly get for the members of the committee the amendment to the sundry civil bill that you introduced for Mr. Buttz?

Senator KYLE. Yes.

Senator ALLEN. There was never any presentation to you of any money at all?

Senator KYLE. No presentation nor tender of money.

SWORN TESTIMONY OF DUNCAN McFARLANE

The CHAIRMAN. Where do you live?

Mr. McFARLANE. Pierre Point, S. Dak.

The CHAIRMAN. What is your occupation?

Mr. McFARLANE. Clerk to the Committee on Education and Labor.

The CHAIRMAN. Of which Mr. Kyle is chairman?

Mr. McFARLANE. Of which Mr. Kyle is chairman.

The CHAIRMAN. How long have you known Mr. Kyle?

Mr. McFARLANE. I have known him for about five years. We were members of the legislature together, and represented adjoining districts in the South Dakota legislature.

The CHAIRMAN. Have you been with Mr. Kyle ever since he has been in the Senate?

Mr. McFARLANE. Ever since he has been in the Senate?

The CHAIRMAN. Are you Mr. Kyle's private secretary.

Mr. McFARLANE. I am his secretary.

The CHAIRMAN. Do you know a Mr. C. W. Buttz?

Mr. McFARLANE. Yes.

The CHAIRMAN. Where does he live?

Mr. McFARLANE. I do not know.

The CHAIRMAN. Do you know by reputation where he lives?

Mr. McFARLANE. I have heard of his living in Buttzville, in North Dakota.

Senator DAVIS. What does the C in his name stand for?

Mr. McFARLANE. I do not know. I have known him only as C. W. Buttz, of Buttzville, N. Dak.

The CHAIRMAN. Have you ever seen him in North Dakota?

Mr. McFARLANE. No; I have seen his name mentioned here, but I did not know him in the State.

The CHAIRMAN. When did you meet him here?

Mr. McFARLANE. About two months ago.

The CHAIRMAN. Did you know him before that time?

Mr. McFARLANE. Not to speak to him. I have seen him about the corridors of the Capitol, but did not know who he was.

The CHAIRMAN. Did he have any conversation with you in regard to Mr. Kyle's vote on the tariff bill?

Mr. McFARLANE. Yes.

The CHAIRMAN. Will you tell when and where that conversation was, the first time you saw Mr. Buttz, and all you know about it?

Mr. McFARLANE. The Senator called on me one evening after the Senate adjourned, and we walked down the avenue together.

The CHAIRMAN. Do you recollect when that was?

Mr. McFARLANE. About two months ago. He told me that a man named Buttz had called on him and spoke about how he would vote on the tariff, and intimated to him that it would be worth a good deal of money if he would vote to defeat it. He said he tried to get out of him the name of the parties and all in connection with it, and he said: "I will tell you all about it in the morning." He said, "I told him that he had better call to see you and speak with perfect freedom." I said I would remember that. Buttz called on me the next morning between 9 and 10 o'clock and said he had seen the Senator the last night.

The CHAIRMAN. Did Buttz introduce himself when he came to see you?

Mr. McFARLANE. I had seen him once or twice in the committee

room talking with the Senator with reference to some bill, I think some town-site bill up in the Northwest. I saw them talking, but did not pay any attention. I think it was some town-site bill, but I had never taken any interest in what was said. Mr. Buttz commenced by speaking of the industries in the West, especially the wool industry, which would suffer if free-wool clause of the tariff bill should pass, and he thought it was the duty of everybody who had the interests of the country at heart to defeat that. I listened to all he had to say, and then he said he represented a firm of New York bankers and capitalists, and they had a good deal of money to spend in defeating that bill; that if the Senator would vote against the bill there would be $15,000; I would get $1,000 and he would get $14,000. He said, "I am not in this business for the love of it, but $1,000 would be a good deal to him." I said, "When will I get this?" He said, "Just as soon as the vote is cast." I said, "Where is the money?" and he said, "The money is all right; it will be placed in your hands in a sealed package." He said, "You can trust me." I said I did not know whether I could or not. He said, "You can trust me to pass the money over after the vote is cast." I said that I did not know that I could. I said, "Where is the money?" and he said in a bank in the city.

Senator ALLEN. Did he give the name of the bank?

Mr. MCFARLANE. No.

The CHAIRMAN. Did you ask the name of the bank or the firm?

Mr. MCFARLANE. Yes; and he would not tell me. He said that he represented a very wealthy firm.

The CHAIRMAN. Did he use the word "firm," or "syndicate?"

Mr. MCFARLANE. He used the words "syndicate of bankers and capitalists who were bound to defeat the bill." I told the Senator of the conversation that occurred. The room of the Committee on Education and Labor is narrower than this, and nobody could be in there without being seen. Several times Mr. Buttz came in and asked me to come out.

The CHAIRMAN. Before or after this proposition?

Mr. MCFARLANE. After this. He wanted to know what progress I was making with the Senator. I said, "Well, these things can not be decided in a day or an hour; I can not tell you point-blank what he will do." He wanted an absolute certainty that the Senator would vote that way.

The CHAIRMAN. How much time was occupied in this first conversation?

Mr. MCFARLANE. Probably three-quarters of an hour.

The CHAIRMAN. Can you recall anything else that was said besides what you have stated?

Mr. MCFARLANE. I do not remember. He mentioned no other people to me.

The CHAIRMAN. What did he talk about?

Mr. MCFARLANE. Mostly talking about the great hardship it would inflict on the woolen industry in the West. That was the clause of the bill that he spoke about mostly, and the injury that it would inflict on the people in the West.

Senator LODGE. Did you make any memorandum, or dot down any notes of what was said?

Mr. MCFARLANE. The first time that the Senator spoke to me about it——

The CHAIRMAN. When the Senator spoke to you about what?

Mr. MCFARLANE. About this man coming—I made a note. I just

said: "Senator Kyle told me of Buttz and of the scheme that he is working." I put it that "he is working for a syndicate of New York bankers and capitalists. Met him in the morning and had a long talk with him. He said that if I got the Senator to vote against the bill I would get $14,000 and he the balance."

Senator LODGE. Did you date that?

Mr. MCFARLANE. No; I did not date that, because I was intending if I could get anyone in the room to get full notes of that. But I could not get anyone.

Senator DAVIS. Read the balance.

Mr. MCFARLANE. That was all.

The CHAIRMAN. Did you make any other notes of what was said?

Mr. MCFARLANE. No.

The CHAIRMAN. Did the Senator state to you at any time, or when he said that Buttz was coming to see you, why he wanted to see you?

Mr. MCFARLANE. Yes; he said he often heard of these things happening in Congress, and he wanted to know if there was any truth in it, and, if possible, whether this man had anybody behind him. The Senator told me that the night before I met Buttz.

The CHAIRMAN. Try to recall as much as you can of that conversation between you and Mr. Buttz.

Mr. MCFARLANE. He commenced by speaking about the tariff, and what I said before about the way the sheep industry would be crushed if this free-wool clause went through; and he thought that anybody and everybody should try to defeat it. I partly agreed with him to hear the rest of what he had to say to me. Then he said that he represented this New York firm or syndicate, and that they had a large sum of money, but did not say how much money, to defeat the bill, and they were bound to do it; that if I could get the Senator, or if the Senator would vote against the bill, he would give me $14,000. Then he said, "I will get $1,000 for myself. Of course," he said, "$1,000 will pay me for this work around here, and you will get $14,000; nobody will ever know anything about it; it will be in a sealed package; it is here, and as soon as the vote is cast the money will be paid over to you."

The CHAIRMAN. What did you say to him?

Mr. MCFARLANE. I said, "I will see the Senator this afternoon and talk the matter over with him." He said, "How do you think he will vote on the wool question." I said, "Well, I do not know; he is preparing a speech on that wool question now, but it is not far enough advanced for me to say what he will do or which side he will take." I had been making up some figures on the wool question myself at the time. There were some people came into the room, and that closed the conversation.

The CHAIRMAN. You say that Mr. Buttz came to see you afterward?

Mr. MCFARLANE. Several times.

The CHAIRMAN. Did you ever have another interview with him?

Mr. MCFARLANE. Not extended. He was wanting to know what progress I had made with the Senator, and each time, to use the phrase, I would stand him off and tried to get the names of the people he represented himself to be with, but I could not. One day he called me to the door. There were a number of people in the room. He said, "I am going down town to see the people now, and I want a definite answer, if possible." I said, "I have not seen the Senator this morning; he is very busy, and I have no time to talk the matter over with him." I have not seen him to talk to since then.

The CHAIRMAN. How long after the first conversation in which he disclosed his object did these calls upon you by Buttz continue?

Mr. MCFARLANE. He would call in the next day and the day after.

The CHAIRMAN. How long a period did it cover after the first visit?

Mr. MCFARLANE. Probably it extended over a week or ten days.

The CHAIRMAN. What was the last interview you had with him, if you recollect?

Mr. MCFARLANE. The last interview was when he said he was going down to see the people.

Senator LINDSAY. He never came back?

Mr. MCFARLANE. He never came back.

Senator LODGE. When the Senator first spoke to you did he mention having more than one conversation with Buttz?

Mr. MCFARLANE. No; I do not think he did.

The CHAIRMAN. Had the Senator spoken to you before on this subject; I mean before the time he told you the man would call the next day?

Mr. MCFARLANE. No. If I remember aright Buttz called on the Senator at his house, and when the Senator saw me he told me about it. If I remember aright he told me about it.

The CHAIRMAN. The Senator told you of an interview with Buttz before he told you that Buttz was to call on you?

Mr. MCFARLANE. That was at the same time. I had seen Buttz frequently in the committee room when he was talking to the Senator on the bill that he had before the committee.

Senator LODGE. Did the Senator tell you his purpose in having Buttz call on you?

Mr. MCFARLANE. The Senator said to me: "I told Buttz to call to see you, and that he might speak with every confidence before you; that in everything we had been concerned together; we had been partners and gone in together."

The CHAIRMAN. Senator Lodge wants to know whether Senator Kyle told you his object in having Buttz call on you.

Mr. MCFARLANE. Senator Kyle said he wanted Buttz to call on me so that I would be a witness to these attempted bribes. He told me that was his object in having Buttz call on me.

The CHAIRMAN. After a week or ten days, when Buttz called at your room and wanted you to give a definite answer as to what the Senator's intentions were, he gave you as a reason therefor that there were parties down town whom he wanted to see, and you never saw him again?

Mr. MCFARLANE. Not on the subject.

The CHAIRMAN. Did you see him at all?

Mr. MCFARLANE. I think he came in once and said he had been out of town. He said that he thought he had left some papers in the committee room. He just stepped in and asked me if I had seen some papers there, a bundle of papers. I think he said he had been out of town visiting some place.

The CHAIRMAN. Have you any memoranda, or any means of fixing the date of these interviews?

Mr. MCFARLANE. No; I made none. In fact, while he was there, I could not take down anything that he said. I had not anything definite as to place or people.

The CHAIRMAN. Did you ask who any of the New York bankers or capitalists were?

Mr. MCFARLANE. Yes.

The CHAIRMAN. What did Mr. Buttz say?

Mr. McFARLANE. He said he could not tell me their names, could not tell me anything about them, except that they had plenty of money.

Senator LINDSAY. Did he tell you they were interested in the wool industry?

Mr. McFARLANE. He said they were interested in defeating this bill *in toto*, if possible. But in speaking about the defeat of the bill, it was mostly the wool industry that he spoke about—the sheep industry in the West that was being damaged by the bill, and that there was no protection on foreign products, and we ought to have it.

The CHAIRMAN. Fourteen thousand dollars was the amount that he was to give to you, according to his statement?

Mr. McFARLANE. Fourteen thousand dollars.

The CHAIRMAN. Was any larger sum mentioned?

Mr. McFARLANE. Just the $15,000—$14,000 that he was to give to me and $1,000 that he wanted for himself.

The CHAIRMAN. Did he say anything else about a larger sum?

Mr. McFARLANE. No; he did not mention anything else to me.

Senator DAVIS. Was this conversation that you have detailed between yourself and Senator Kyle the first conversation that you ever had upon this subject with the Senator?

Mr. McFARLANE. I think it was.

Senator DAVIS. That was the first intimation that you ever had that Buttz had been approaching him?

Mr. McFARLANE. The first intimation.

Senator DAVIS. Have you seen Mr. Buttz since this investigation was ordered?

Mr. McFARLANE. Yes.

Senator DAVIS. Have you talked with him?

Mr. McFARLANE. I said, "Good morning, major."

Senator DAVIS. Is that all?

Mr. McFARLANE. I met him at the door of the Maltby House, and he said, "Good morning, Mr. Mac," and I said, "Good morning, major."

Senator DAVIS. Is that all that occurred?

Mr. McFARLANE. Yes.

Senator DAVIS. Have you had any conversation with him on this subject?

Mr. McFARLANE. None at all.

Senator DAVIS. Did Mr. Buttz say anything to you about the income tax?

Mr. McFARLANE. Not that I remember.

Senator DAVIS. Did he say anything to you about how many votes had been secured in favor of the defeat of the bill or any particular portion of the bill?

Mr. McFARLANE. No.

Senator DAVIS. Did he state or claim to you that the votes of any other Senators had been secured for the defeat of the bill?

Mr. McFARLANE. No.

Senator DAVIS. Never mentioned the fact at all?

Mr. McFARLANE. If I remember aright, he said they wanted three votes.

Senator DAVIS. Did he say how many they had secured?

Mr. McFARLANE. No.

Senator DAVIS. You say that $14,000 were to go to you in the event of Senator Kyle voting to defeat the bill?

Mr. McFARLANE. That is right.

Senator DAVIS. Was there anything said between you and Mr. Buttz as to what you were to do with that $14,000?

Mr. MCFARLANE. It was tacitly understood that it was to go to Senator Kyle.

Senator DAVIS. You say you had but one conversation with Buttz where this matter was gone over?

Mr. MCFARLANE. In detail.

Senator DAVIS. You reported that conversation to Senator Kyle, when?

Mr. MCFARLANE. The same day.

Senator DAVIS. What did he say?

Mr. MCFARLANE. He said he would like to know who these parties were—know something definite about them—and whether Buttz was really empowered to make this offer.

Senator ALLEN. When Senator Kyle first spoke to you about this matter, and said to you, as I understand it, that Buttz had this talk with him on his way over from the Senator's house to the Capitol, Buttz first approached the Senator then?

Mr. MCFARLANE. That is what I understood.

Senator ALLEN. Did Senator Kyle say anything to you about his thinking of kicking Buttz across the street when he made the proposition?

Mr. MCFARLANE. He said something about that.

The CHAIRMAN. What was it?

Mr. MCFARLANE. If I remember aright, he felt tempted to knock the fellow down.

Senator ALLEN. Did he say anything to you about his second thought of endeavoring by specific means to develop this fellow Buttz; to ascertain what was behind him?

Mr. MCFARLANE. Yes.

Senator ALLEN. What did he say on that subject?

Mr. MCFARLANE. That was when he told him if he would come and see me he could speak with perfect confidence before me; and he said any business matters that we have we have gone in partnership.

Senator ALLEN. When Senator Kyle first spoke to you, and before Buttz came to see you and Senator Kyle warned you that Buttz would be to see you, what did the Senator say that Buttz had said to him?

Mr. MCFARLANE. He told me that Buttz said if he would vote against the bill he would get $15,000; and he said "I have told the fellow to come to you so that you can worm out of him all you can in regard to the matter."

Senator ALLEN. Why did Senator Kyle arrange with you about the matter and have Buttz to meet you—what was the object of that?

Mr. MCFARLANE. To have some other testimony than his own that such a thing was attempted.

Senator ALLEN. Is that what Senator Kyle said when he spoke to you about it?

Mr. MCFARLANE. His words were pretty much like these: "I have often heard about such attempts being made, and I want to find out how much is in it?"

Senator ALLEN. Do you know, as a matter of fact, Senator Kyle's purpose in speaking to you about it and arranging about the meeting with Mr. Buttz, whether it was for the purpose of ascertaining whether there was bribery?

Mr. MCFARLANE. That was his object.

Senator ALLEN. To trace out the attempted bribery to its proper source?

Mr. MCFARLANE. Exactly.

Senator ALLEN. Did he say anything to you about his belief of the man behind Buttz and his desire to know who the persons were?

Mr. MCFARLANE. That is what he told me.

Senator ALLEN. So that it was arranged between you and Senator Kyle that you should talk with Buttz with some degree of freedom, for the specific purpose of ascertaining who was behind Buttz, and what was their view?

Mr. MCFARLANE. That was the object.

Senator ALLEN. To that end, did you ask Buttz who was associated with him in this matter?

Mr. MCFARLANE. Yes.

Senator ALLEN. Did he give you any names?

Mr. MCFARLANE. He gave me no names at all, except that it was a very wealthy syndicate.

Senator ALLEN. Of New York bankers and capitalists?

Mr. MCFARLANE. Those were his words.

Senator ALLEN. There was no offer of money of any kind—no production of money?

Mr. MCFARLANE. No.

Senator ALLEN. So that all you did in the matter was at the suggestion of Senator Kyle, for the purpose of uncovering this entire attempt to bribe?

Mr. MCFARLANE. That was the whole idea.

Senator ALLEN. And getting evidence of the names of the persons who were engaged in it?

Mr. MCFARLANE. Yes.

Senator ALLEN. With the view of making the matter public if thought necessary or proper?

Mr. MCFARLANE. Yes.

Senator ALLEN. And is that the way Senator Kyle talked to you about his purpose?

Mr. MCFARLANE. That is what he told me he wanted it for; that was the object.

Senator ALLEN. Did he say anything to you to the effect that when Buttz first mentioned this matter to him he thought of kicking him across the street or knocking him down, but upon second thought he thought it wiser to appear to be indifferent to the matter for the purpose of developing the persons behind Buttz?

Mr. MCFARLANE. Yes; that is it.

Senator DAVIS. Did Mr. Buttz at any time state to you the amount of money that this alleged syndicate had with which they were prepared to beat this bill?

Mr. MCFARLANE. No.

Senator LODGE. When Senator Kyle spoke to you on this occasion to which you have referred did he mention having had more than one conversation with Buttz?

Mr. MCFARLANE. On that subject I do not think he did.

Senator LODGE. On that subject, I mean, of course.

Mr. MCFARLANE. No.

Senator LODGE. On that subject he mentioned only this one conversation?

Mr. MCFARLANE. This one conversation.

Senator LODGE. Do you know whether he had any other conversations with Buttz on the subject?

Mr. MCFARLANE. No, I do not know that he had. Buttz used to go into the office—the committee room—before that and sit and talk with the Senator, but he always had some papers.

Senator LODGE. That was about his land bill?

Mr. MCFARLANE. About his land bill.

Senator LODGE. I mean on this subject. And this conversation with Buttz occurred the day before that?

Mr. MCFARLANE. The day before that.

Senator LODGE. And that was about two months ago?

Mr. MCFARLANE. About two months ago. The Senator, after I had met Buttz, of course, came down, and I told him all that had happened.

The CHAIRMAN. When Senator Kyle told you that Buttz was to meet you, did he tell you what the purport of his conversation with Buttz was and give you any instructions as to how you were to conduct yourself?

Mr. MCFARLANE. In a general way. I was to find out all about this affair, and try to find out the names of all the parties—worm out of him, if possible, everything connected with it.

Senator ALLEN. I understood you to say that you and Senator Kyle had been in the Dakota legislature together as senators from adjoining districts, and that you were partners in some transactions?

Mr. MCFARLANE. We were members of the State senate together, but we had no business transactions together.

Senator ALLEN. I understood you to say that you were partners in some transactions. That is what you were to tell Buttz?

Mr. MCFARLANE. The Senator told Buttz that.

Senator ALLEN. And that was for the purpose of allaying any suspicion that Buttz might have in talking with you?

Mr. MCFARLANE. That was it.

Senator ALLEN. As a matter of fact, you and Senator Kyle were not partners in any transaction?

Mr. MCFARLANE. Except that we might have shares in the National Watchman.

Senator ALLEN. That was a newspaper?

Mr. MCFARLANE. Yes; we do not hold these shares in common; it was simply a business enterprise in which I had some shares and the Senator also.

Senator ALLEN. I hand you an amendment to House bill 5575, and ask you if that is the amendment you spoke of as having been introduced by Senator Kyle to the sundry civil bill, and about which Mr. Buttz and Senator Kyle were talking in the committee room?

Mr. MCFARLANE (after examining.) I can not tell you?

Senator ALLEN. What is the name of that town in North Dakota; Great Falls? Is it true that these conversations that Senator Kyle had with Mr. Buttz in the room of the Committee on Education and Labor were with reference to a claim covering a town in Montana?

Mr. MCFARLANE. The only conversations that I took any notice of—they would sit close to me, and I was writing—was about the town site, as I understood.

Senator ALLEN. It was at Great Falls, was it not?

Mr. MCFARLANE. I believe it was.

Senator ALLEN. Was it not a contest for Jim Hill's road, where Hill had gotten fraudulent control of the town—40 sections of land?

Mr. MCFARLANE. Yes; but I did not pay any attention to it.

Senator ALLEN. Mr. Buttz wanted Senator Kyle to introduce a bill to repeal a part of an act passed in 1891, which quieted title to that land?

Mr. MCFARLANE. I understood that to be so.

Senator ALLEN. Did you draft the original of this amendment?

Mr. MCFARLANE. No; I do not think I did.

Senator ALLEN. I would like that amendment to be made a part of this record. I will have Senator Kyle come up and identify it.

The amendment is as follows:

The CHAIRMAN. Have you anything else that you wish to say, Mr. McFarlane?

Mr. MCFARLANE. I might say this: When the Senator told Mr. Buttz that we had no business enterprise apart, that we had always gone in in common, I understood the Senator to mean that we were stockholders in that newspaper. The Senator had $100 worth; something like that.

Mr. C. W. Buttz appeared with counsel.

Mr. MCGOWAN (counsel for Mr. Buttz). I request, Mr. Chairman and gentlemen of the committee, that there be presented to Maj. Buttz a copy of any testimony that has already been taken before the committee touching his connection with this alleged bribery, that he may examine it and make his statement with reference to it. I have already made a similar request in writing to the chairman of the committee. I, of course, asked that I be permitted to cross-examine the witnesses, though I do not now ask that. But I think that my client should be permitted to examine the testimony.

The CHAIRMAN. The committee has discussed the matters mentioned in your letter, and while there will be no difficulty about your seeing the testimony that has been already taken, or hearing it read, yet the committee thought that we were entitled to ask Mr. Buttz some questions in regard to the matter we have in hand and without reference to the testimony already taken. We think so now. Therefore, we will proceed, subject to your advice to your client, to ask the questions which we thought proper to be propounded to Mr. Buttz.

SWORN TESTIMONY OF CHARLES W. BUTTZ.

The CHAIRMAN. What is your full name?

Mr. BUTTZ. Charles Wilson Buttz.

The CHAIRMAN. What is your age?

Mr. BUTTZ. I was born in 1837. I think I am 57 years old.

The CHAIRMAN. Where do you reside?

Mr. BUTTZ. I reside at Buttzville, Ransome County, N. Dak.

The CHAIRMAN. What is your occupation?

Mr. BUTTZ. I am a farmer. I have practiced law in past years.

The CHAIRMAN. You are a lawyer, Mr. Buttz?

Mr. BUTTZ. Yes.

The CHAIRMAN. Are you acquainted with Mr. Eppa Hunton, jr.?

Mr. BUTTZ. I have known his father, Eppa Hunton, for about twenty-five years. I resided in Virginia twenty-five years ago, immediately after reconstruction, and took a part in political affairs there. I knew Mr. Hunton's father, but lost sight of the Senator until after he became Senator. I renewed my acquaintance with him, but was not personally acquainted with the son.

The CHAIRMAN. Do you know the son now?

Mr. BUTTZ. Only by an interview I had with him at Warrenton.

The CHAIRMAN. When was that?

Mr. BUTTZ. Early in April.

The CHAIRMAN. Of this year?

Mr. BUTTZ. Of this year.

The CHAIRMAN. Where was the interview?

Mr. BUTTZ. At Warrenton, Va., at his home.

The CHAIRMAN. Will you be good enough to state to the committee what that interview was?

Mr. BUTTZ. I have no objection to stating it; I came here for that purpose. But, as I said to my counsel, I would like to understand what has been said by Mr. Eppa Hunton on the subject. I can state briefly that I never went there for any purpose of corrupting him or his father, or bribing them.

The CHAIRMAN. You have an opportunity to state now what occurred at that inverview.

Mr. BUTTZ. Before stating that I would like to state the preliminary grounds of my going there. Will you read what Mr. Eppa Hunton said?

The CHAIRMAN. No; I will ask you questions which you are competent to answer, and you may say what you said or did not say. You may state freely what took place at that interview, which you admit did take place.

Mr. BUTTZ. You can allow me to state my reasons for going there?

The CHAIRMAN. Yes; state in your own way.

Mr. BUTTZ. In March, 1891, at the expiring hours of the Fifty-first Congress, an amendment of the preemption and timber-culture law occurred in the U. S. Congress, and the terms of the repealing act were in dispute between the two Houses as to the conditions of entering a homestead, and that dispute was submitted to a conference committee of the two Houses, of which Senators Walthal and Pettigrew and Representatives Holman, Payson, and Pickler were members. They made a report to the House on the 3d of March, 1891, and that committee added an additional section, called section 7, which confirmed and ratified all the proofs made between certain dates, giving the dates in the law, notwithstanding irregularities in the final proofs. Previously to that I had been an attorney in a contest at Great Falls, Mont., involving 160 acres, or a quarter section of land, in which my client had alleged that a certain corporation, a $5,000,000 corporation, had hired a settler to acquire title to this land, and in addition to that $5,000,000 land in another section. I had taken the evidence for my client. He was a poor man. I expended about $1,000. That carried the case to the Land Office.

On the 25th of February Commissioner Stone decided the case against the corporation and in favor of my client. The defendant, the corporation, had sixty days in which to appeal. Their sixty days expired. On the 25th of March, 1891, instead of appealing they managed to get added to that conference committee's report section 7, by which was ratified all final proofs made between certain dates, and legislated my client out of court. We had won our case and then lost it through legislation. As soon as I discovered that, I came on here to have a provision added, providing that the section should not affect cases pending in the Land Office, to save the cases that were pending. I came on here during the Fifty-second Congress, and was here the whole winter. Judge Holman was on the conference committee when this

report was made, and he repudiated it; Senator Walthall repudiated it; Senator Plumb repudiated it; Mr. Payson repudiated it; Congressman repudiated it—said it never applied to contests—and Judge Holman introduced a bill to add a proviso to that law, provided it did not affect contests pending in the Department. I managed to get that in the sundry civil bill reported by the Public Lands Committee. It was put on the Calendar, but there was no chance for it to be reached at the last session of Congress, and I then had it introduced as an amendment to the sundry civil bill. It came over to the Senate.

Judge Holman was chairman of the Appropriations Committee then, and on motion of one of the members Judge Holman accepted the amendment as chairman, because he had introduced the bill. It came over to the Senate. I appeared as attorney before the Senate Committee on Appropriations. There was a fight made there, and the Senate committee finally reported it to the Senate. It came up in the Senate, and Senator Davis moved to strike out the amendment. It was debated in the Senate that afternoon and that evening, and on the final vote the Republicans had two or three majority. Every Republican voted to strike out and every Democrat to keep it in. Then it was it went to the conference committee, and the House sent it back three different times. The House struck it out. Senator Allison was the principal one who held out in the Senate. Judge Holman sent it back three different times, as I recollect, insisting on the amendment, and the Senate refused, and finally all the other amendments were compromised, and Judge Holman came to me and said: "All the other amendments have been settled and it is within two or three hours of the expiration of this Congress, and $30,000,000 or $40,000,000 of appropriations for a Democratic administration coming on that are liable to fail; we will have to agree with the Senate, and if you will come on next session I will get it through for you." I said: "Very well;" and it was struck out. This session I came here for that purpose, and no other.

If I am a lobbyist that makes me a lobbyist. I came on here last September. I did not leave my farm, did not come here to the special session; but Judge Holman, without my seeing him, introduced the matter in the Committee on the Public Lands. I came on here at the regular session to look after it. I went to Judge Holman and McRae, chairman of the Committee on Public Lands, reported it to the House, and it is on the Calendar in the House. It was introduced in the Senate. Senator Blackburn introduced it in the Senate, and it went to the Committee on Public Lands. Mr. Pettigrew—5 members of the committee, leaving out Mr. Pettigrew—repudiated that seventh section. It went to the Public Lands Committee. and they did not make any report. In the meantime, when the sundry civil bill came up, it was on the Calendar in the House, Judge Holman moved to amend the sundry civil bill by this amendment. The bill was in the Committee of the Whole in the House, and a speech was made by Mr. McCreary about the town of Jasper. They did not understand it. On an aye and nay vote they struck it out again at this session, on the 21st of March.

Judge Holman said the mistake was that the Committee on the Judiciary did not understand it, and that I should have it introduced in the Senate. I came over to the Judiciary Committee. I went to Senator Kyle and explained to him. He said he would be glad to take hold of it and help me. He introduced it as an amendment to the sundry civil bill, and had it sent to the Judiciary Committee, because there was Pettigrew and Dolph to carry all from this locality where this corporation perambulated. Whether they were antagonistic or

not I did not care. I wanted it to go to the Judiciary Committee, because Judge Holman said it was a judicial question. Senator Teller moved to send it to the Public Lands Committee, and on his motion it went to the Public Lands Committee.

I had three or four interviews with Kyle about that. The Public Lands Committee never did report it. Then I had a friend of mine to have it reintroduced (by Senator Blackburn) and it went to the Judiciary Committee.

Now, why I went to get Hunton. In the meantime the Commissioner of the General Land Office had decided that this seventh section—that these parties were entitled to this quarter section of land under this seventh section. The seventh section provides, if you will read it, in the case of a bona fide purchaser, how final proofs are to be made, and ratified and confirmed all final proofs made between certain dates. I claimed that this corporation was not an innocent purchaser; that they hired a settler from the start, and there was fraud. I applied to the Commissioner for a hearing on that ground. He denied me a hearing, and said this corporation was entitled to the patent, notwithstanding my application for a hearing, on the ground of a bona fide purchaser. I claimed that they were not bona fide purchasers, and that they were aware of it at the time the proof was made. The Commissioner decided against me, and I took an appeal. I had sixty days in which to perfect my appeal. I let as much time expire as I could, and asked for a review, and the Commissioner adhered to his opinion, and I appealed to the Secretary, pending this legislation, which I anticipated. I have a favorable report in the House now, and I expected a favorable report in the Senate. I always supposed I could not get it from the Public Lands Committee, because Mr. Pettigrew, who was responsible for this amendment, was there. I wanted to lay it before the Secretary of the Interior, wanted Mr. Smith to delay until I could get legislation to save my contest.

I got to talking to Maj. Walker, an ex-senator of the legislature of the State of Virginia, who was living in the house where I was in this city. He was formerly a State senator from Virginia, an intimate acquaintance of Senator Hunton, although I saw it stated in the paper that Hunton did not know him. He said he was acquainted with Hunton for forty years. I wanted Walker to get a delay through Mr. Hoke Smith. I claimed under that seventh section that I was entitled to get a hearing, on the ground that this corporation was not an innocent purchaser—that I was entitled to a hearing even under the law that they had smuggled through by unanimous consent. But I did not know anybody in Washington. These land lawyers in Washington are afraid to make an aggressive fight against the land department for fear of ill-will and injury to their practice. I had no ready money. My client is poor, being simply a driver of a delivery wagon, getting $30 or $40 a month. He is unable to pay his own expenses.

I am in this, and I am going to stay in it as long as I live. I started out on that theory, and I believe I am right; I am going to stick to it. It is hard for a private individual to fight a private corporation of $5,000,000 and a railroad corporation of $5,000,000 that perambulates all these States. I have nothing except my farm; but I was here in the interests of that man, and I wanted to get a man of influence. I was talking with Maj. Walker, of Virginia, and I asked him if he could get me anybody who would do me any good, and he said that the son of Eppa Hunton was an active young lawyer and would have influence in the Department; that his father was a Senator, and he had

good standing down there. I said: "I do not know him; will you give me a letter of introduction to him?" He said, "I do not know the son, but I know the father very well;" and he said, "You had better see the father about getting a letter."

I went down to the Corcoran building, where Senator Hunton had a law office, and where he keeps it yet. I knew Senator Hunton, because I was in Virginia and took an active part in politics there in reconstruction times and before I left there. I went in and spoke to Senator Hunton. There were two or three in the office whom I did not know, and whom I did not notice. If I had thought there was going to be a charge of bribery, I would have made a memorandum. I said, "I want to get a party to help me in a law matter in the Land Office, and I want you to give me a letter to your son." Senator Hunton said "What kind of case is it?" and I said "A land case." He said, "Why do you want to employ my son—because his father is a Senator?" I said "I do not know that that would be any crime, if his father is a Senator." He said, "Let me ask you if this will come up before Congress, so that I will have to vote upon it." I said, "You might have to vote on one branch of it; but what I want is to get a delay before Hoke Smith, to get Hoke Smith to grant me an investigation as to the innocence of this company, as to the fraud which they committed before the purchase." I said, "I want delay on that."

Senator Hunton said: "Maj. Buttz, I shall decline to give you a letter of introduction; I do not want my son to have anything to do with a case that is liable to come before the Senate," and that is all that was said, and I said, "All right, Senator; good-bye." I went back and told Maj. Walker what Senator Hunton had said, and Maj. Walker said, "I do not know the son very well, but I will give you a letter." So that he wrote a letter to Eppa Hunton, jr., at Warrenton, and said I wanted to employ him on some land business. I went down there on a Sunday morning, and took dinner at the hotel. I went up to Mr. Hunton's house, rang the bell, and he received me at the door and talked to me. I first told him what his father had said. I was very frank with him—told him why his father did not want him to have the case.

He shut me off. I talked about Virginia matters from 1865 to 1870, and asked him if he remembered the Walker campaign and the election of Mahone to the Senate. If I was a bad man, I took an active part in that and I think I accomplished something. I think they all said so. I had a friendly talk for an hour with Mr. Hunton. He treated me very nicely, and I thought I treated him very nicely. Among other things we talked about hard times, idle men, and the Coxey movement. We drifted off into politics; and among other things—I can not give you the words, but the substance—I said I was opposed to the tariff bill, the Wilson bill. He asked if I thought it was going to pass. I said I hoped not, because I thought it was it that brought all this trouble on the country. He said, why? I said because when the Democrats adopted the free-trade platform, in England the manufacturers had raised £250,000 ($1,000,000), to carry the free-trade platform and elect Mr. Cleveland. I do not know whether it is true or not; but if they raised all that money to carry the Presidential election they will raise the money to carry free trade through Congress.

I said I was interested in 11,000 acres of farming land, 2,000 of mine and my brother 9,000, and we lost $2,000 on it last year, and we can not stand much more, we will all be sold out; so far as the manufacturers are concerned they will raise a fund to protect themselves, but nobody will protect the farmers. This was the general talk. There is no

duty on wool, and to reduce the duty on barley from 15 to 13 cents and no duty on flax, a bounty on sugar, duty on rice—we have no wood in our State, South Dakota; we have a little soft coal, but when you put 50 cents on coal or are about to do it, everything that the farmers have to buy they have, and I am opposed to it. I said we could not stand it much longer. That was the general talk. We branched off to the manufacturers, and I said yes, when it gets to the Senate they will get all they want. I said, I think the manufacturers would pay from $25,000 to $50,000 for a vote to get what they wanted, and if England has spent $1,000,000 to get a free-trade plank in the Chicago platform on which Cleveland was elected, they will get it through the Senate. That is about the substance. I may have said more, but I do not recollect. But as to any direct or indirect attempt to bribe Mr. Hunton's father, that is absolutely false. Senator Hunton is not a man of that kind, and I would not attempt it for that purpose.

The CHAIRMAN. Did you offer his son any money, large or small, if he would get his father to vote for or against the tariff bill?

Mr. BUTTZ. Not at all. I said, as an attorney, if I could defeat the the bill I could get a fee.

The CHAIRMAN. Did you name any sum, ten, fifteen, twenty-five, or thirty thousand dollars that they would pay?

Mr. BUTTZ. Who?

The CHAIRMAN. The English, or these interests opposing the income tax. Did you state that the English people would pay you a fee?

Mr. BUTTZ. I do not think I did state anyone. If I did I had no authority, but it was a general talk.

The CHAIRMAN. In that general talk you say you may have said that you could get a fee of ten, fifteen, or twenty, or twenty-five thousand dollars if you could defeat this bill.

Mr. BUTTZ. I may have said it, but only in my imagination. I believe I did, now. The manufacturers of this country or the English free-traders in England, if I can reach the proper parties—I do not know who they are; but it is my judgment——

The CHAIRMAN. You believe you could get a fee from the English free-traders or manufacturers to defeat this bill? Did you state that to Mr. Hunton?

Mr. BUTTZ. I may have done so. If he says so, I would not dispute it.

The CHAIRMAN. Did you say anything to Eppa Hunton, jr., about presenting an argument to his father and paying him for it, to induce the Senator to vote against the tariff bill?

Mr. BUTTZ. I do not think I ever asked him. I may have asked him if he would take a fee, or be an attorney to represent the interest against the bill. I may have done that, but I have no recollection of it.

The CHAIRMAN. You may have asked Mr. Hunton, jr., to take a fee?

Mr. BUTTZ. I may have asked him in the general talk.

The CHAIRMAN. Can you not recollect anything so important as that—whether you asked him to take a fee?

Mr. BUTTZ. I think not, because I had no fee to give, nothing but my farming interest—no corporation to represent. I do not know why I should.

The CHAIRMAN. You said that you thought you could get from the manufacturers and free traders in England $25,000 to defeat this bill.

Mr. BUTTZ. I believe I could not.

The CHAIRMAN. Did you state to Mr. Eppa Hunton that you could get a fee from such parties?

Mr. BUTTZ. I do not think I did. If Mr. Hunton said so I would not dispute it, because there was so much said. I know that I never attempted to bribe his father or offer any influence to bribe him.

The CHAIRMAN. Did you offer the son anything that he might influence his father?

Mr. BUTTZ. No, I never offered his son anything to influence his father improperly.

The CHAIRMAN. Did you offer him anything to influence him properly?

Mr. BUTTZ. That I would not say, whether in a general talk he so understood it or not. I did not so understand it.

The CHAIRMAN. Did you tell him that there was money that could be gotten for him contingently upon the defeat of the Wilson bill?

Mr. BUTTZ. I do not know how I could. I had no means of getting it.

The CHAIRMAN. Did you talk with Eppa Hunton, jr., about the income tax as well as the wool feature of the tariff bill?

Mr. BUTTZ. I do not know whether I did; I know I talked with him some time about the North Dakota farmers on wool.

The CHAIRMAN. Did you offer Mr. Eppa Hunton, jr., any sums of money when you visited him, large or small, contingently upon his father's voting against the Wilson bill?

Mr. BUTTZ. Oh, no; I may in general talk; but I had no money to offer him.

The CHAIRMAN. Did you state to him that you could procure him a fee, large or small, contingently upon his father voting against the bill.

Mr. BUTTZ. I did not know that I could procure it. It was a general talk. I had no arrangements to bargain with him. I did not go for that purpose. I may have stated that they would pay the people for that.

The CHAIRMAN. State what you may have stated in that regard.

Mr. BUTTZ. Nothing more than I have already stated.

The CHAIRMAN. How long did you talk about the land matter?

Mr. BUTTZ. Oh, very little. He refused that from the start. Said he would not be employed. There was not a dozen words; there was not three minutes expended on my employing him, one way or the other. The balance was all friendly talk. If he had not treated me decently and encouraged me to stay there I would have gone.

Senator DAVIS. Before leaving Warrenton for Washington did you return to Mr. Hunton's house in the afternoon?

Mr. BUTTZ. Yes; I returned for the purpose of leaving my card and my address at the door. The servant said Mr. Hunton had returned; was lying down, taking a rest.

The CHAIRMAN. Did you leave your card?

Mr. BUTTZ. I did.

The CHAIRMAN. What was in the card?

Mr. BUTTZ. I have not thought of it since. I imagine all I put on it was my name, 719 Eighth street NW., and call to see me. I said to him before I left, perhaps, I am not sure; if he will contradict me I will say perhaps I did not say it; perhaps he had changed his mind about this Land Office matter; that his father would be involved; that what I wanted him for was in the Land Office and not in the Senate; and after I got down on the train I got to thinking it over and thought he might decide to go with me. I left the train and went back and wrote on the cars when he came to Washington he would see me.

The CHAIRMAN. What did Mr. Hunton say on this question of the tariff? Did he talk?

Mr. BUTTZ. Yes; he talked. He said he was in favor of it, and thought his father was in favor of it.

The CHAIRMAN. Did he discuss the matter with you?

Mr. BUTTZ. He took issue with me. We talked it in a general way. He would say one thing and another. We had a general discussion. I tried to convince him that so far as the farmers were concerned it was a bad bill.

The CHAIRMAN. Are you sure you have stated all that was said about the possibility of obtaining a fee for the defeat of the tariff bill, or if the tariff bill was defeated?

Mr. BUTTZ. As to my being sure whether I have stated all that was said, I am not sure, but it was the substance of all that was said. If you will read the statement and let me see what he said, I can refresh my memory. But I am trying to say all that I recollect. One thing I do not forget is that I did not go there for any purpose of bribing his father, or inducing him to do wrong, because I have known old man Hunton too long.

The CHAIRMAN. Did you say to Mr. Hunton on that occasion and in that conversation, or at any other time, that in case his father voted against the bill the son could have $15,000?

Mr. MCGOWAN. I suggest to the committee that Mr. Buttz should know what Mr. Hunton said on that subject. That is simply justice.

The CHAIRMAN. Make any suggestions you have to make openly.

Mr. MCGOWAN. I suggest to my client that he ask the committee to give the testimony on that point, that he may understand the direct question.

The CHAIRMAN. I submit to Mr. Buttz, in the presence of his counsel, that he must be able to answer that question categorically and without reference to what anybody said. He may state whether he did that day, or at any other time, say to Mr. Eppa Hunton, jr., that he could have a fee of $15,000, or any other amount, in case his father voted against the tariff bill.

Mr. MCGOWAN. I desire to say to my client that the implication of the question, in my view, is that Mr. Hunton has so testified; and under all the circumstances of the case he should require the testimony to be given on that point before he answers the question.

The CHAIRMAN. I should say, without discussing the question, that the committee is entitled to a categorical answer. That is undoubtedly within the knowledge of the witness, and is a fair question.

Mr. MCGOWAN. I will leave it to the major. I suggest nothing further.

Senator ALLEN. I do not see how it could make any difference to Mr. Buttz. He certainly knows whether he made any such suggestion or not.

Mr. BUTTZ. Whether there was any suggestion of that kind or not I certainly could not say that, for I had no authority to say it; I had no $15,000. I do not know why there should be so much said about money used in the campaign, and money used back and forth—so much said about the sugar trust and income tax, but I know I never tried to induce Mr. Hunton to take a fee for the purpose of inducing him to control his father.

The CHAIRMAN. You do not care to answer the question more categorically than that?

Mr. BUTTZ. I do not care to say yes or no, because I do not know the exact language that was used.

The CHAIRMAN. You know the language that I use. Did you on

that occasion say you would pay, or that Mr. Hunton could receive from any source whatever, a fee of $15,000 or any other amount in case his father voted against the tariff bill in the Senate?

Mr. BUTTZ. No; I do not think I ever said it.

The CHAIRMAN. Are you sure?

Mr. BUTTZ. I do not see why I should have said it, because I had no means of paying or anybody to authorize me to do it. I do not see why I should have had so idle a talk as that. Mr. Hunton is a distinguished gentleman, a man of veracity, and I do not see why I should come forward and make such a statement.

The CHAIRMAN. Did you have any conversation prior to this with any person or persons as to the possibility of affecting the vote of any Senator by paying money?

Mr. BUTTZ. Yes.

The CHAIRMAN. State what.

Mr. BUTTZ. I suppose 15 or 20. It was ordinary common talk in the room where I was boarding, especially with a man who boarded there, an ex-member of the legislature, Maj. Harris. He boarded at the same house where I boarded. We may have talked about it forty times; it was common talk in the house about money being used one way or the other.

The CHAIRMAN. You have already answered, perhaps. Did you have any authority from any person to offer anyone money, in the Senate or out of the Senate, to influence the result of the tariff legislation?

Mr. BUTTZ. No one on earth.

The CHAIRMAN. Do you know Senator Kyle?

Mr. BUTTZ. I know him.

The CHAIRMAN. How long have you known him?

Mr. BUTTZ. I have known him, by reputation only, since he was elected to the Senate. His county, where he lives, Brown County, is the northern county of the north of South Dakota, and I live on the south side of North Dakota.

The CHAIRMAN. Did you know Senator Kyle in Dakota?

Mr. BUTTZ. No.

The CHAIRMAN. Where did you first know him?

Mr. BUTTZ. I have been on speaking terms with him since he has been in the Senate, the last year or two. I do not know the date he was elected to the Senate.

The CHAIRMAN. Do you know when you first met him?

Mr. BUTTZ. The first time I met him to transact any business or to have any intercourse, to attend to matters, was in reference to my amendment. I had an amendment to insert in this legislation after it was defeated.

The CHAIRMAN. When was that?

Mr. BUTTZ. The amendment was introduced, I think, on the 29th of March.

The CHAIRMAN. This year?

Mr. BUTTZ. Yes; I think it was introduced this year.

The CHAIRMAN. Had you any conversation with Senator Kyle before that?

Mr. BUTTZ. A day or two before the last time he introduced it I went to his committee room and had a talk with him [after looking at the amendment heretofore referred to in the record], March 28; I thought it was the 29th.

The CHAIRMAN. How long was it before that that you met Mr. Kyle in Washington?

Mr. BUTTZ. I do not think I had any intimate acquaintance with him; I think I met him two or three times before.

The CHAIRMAN. How long ago?

Mr. BUTTZ. I do not know.

The CHAIRMAN. During this past winter?

Mr. BUTTZ. I could not say. My memory is very poor of late years. I would not like to answer except that I went to him about this amendment.

The CHAIRMAN. Did you have any conversation with him about any other matter?

Mr. BUTTZ. After he introduced that amendment and it went to the Judiciary Committee, and the Judiciary Committee had not acted on it, I went to him two or three times to get him to do something. The other Senators of the Northwest were against it and I was anxious to get it through. Congress passing a bill by unanimous consent without having it read knocked me out, and I tried to get it reconsidered. Senator Kyle took an interest in my client, and very justly so. I think he went before the Judiciary Committee. He wrote a note in the Senate, a card; I have not the card with me.

The CHAIRMAN. Had you conversations with him upon any other subject.

Mr. BUTTZ. Yes; I went to him two or three times, four or five times to get the amendment out of the Public Lands Committee.

The CHAIRMAN. Did you have any conversation with him about the tariff bill.

Mr. BUTTZ. Yes; I did.

The CHAIRMAN. What was that?

Mr. BUTTZ. During these times I talked with him about the tariff, and tried to persuade him to vote against the tariff, representing that the South Dakota Populists were opposed to it; that he would represent his constituents properly by voting against the bill. He said "Why?" I said "You have coal there with a duty of 50 cents, and your people will have to pay all the duty." He said that was not true. He took a broader view. He said, "How about wool?" I said, "Dakota is a woolgrowing State. It is for you to kill off the wool industry, and the State of Dakota will become depopulated."

The CHAIRMAN. Was this after the introduction of your amendment?

Mr. BUTTZ. Yes. I had no conversation about it before.

The CHAIRMAN. Did you say that he could obtain money for his vote?

Mr. BUTTZ. This conversation came up with Mr. Kyle half a dozen times. I said he could not afford to vote for it. He said he was for free trade; that was his platform and his principles; that he was for an income tax. I tried to tell him that the English had raised all this capital, and they would raise it to defeat it here; that before he got to it the manufacturers would raise a fund against it, and we farmers would be left out. I tried to persuade him to vote against it.

The CHAIRMAN. Did you say to Senator Kyle at that interview, or any other, that he could have a large sum of money if he would vote against the bill?

Mr. BUTTZ. No; I never promised Mr. Kyle a cent.

The CHAIRMAN. Did you say he could have that? Answer my question, yes or no.

Mr. BUTTZ. What do you mean that he could have? That I would get it for him?

The CHAIRMAN. That he could have, or that you would procure it—obtain a large sum of money in case he voted against that bill.

Mr. BUTTZ. I could not say anything of that kind. But I will tell you what I did say. In this general running talk I said to Mr. Kyle on several occasions, that I was satisfied there would be a fund raised and that money would be offered. A man told me here the other day, said he, "Buttz I will get a fee of $15,000 if the tariff bill is defeated, and I will give you $1,000 of that if you will find out how Kyle will vote." Said he, "He is from your State." I said, "No; South Dakota." He said, "If you find out how he is going to vote it is worth a thousand dollars to you."

The CHAIRMAN. Did you tell Senator Kyle that?

Mr. BUTTZ. I said a man said he could get $15,000 if the tariff bill was defeated, and he offered me $1,000 to find out how he (Kyle) would vote.

The CHAIRMAN. Who was that man?

Mr. BUTTZ. A man of this city.

The CHAIRMAN. I say what is his name?

Mr. BUTTZ. I can give it if I am forced to.

Senator ALLEN. I think it is right for you to give that name. There is nothing to criminate you?

Mr. BUTTZ. The real one was Maj. Harris, who was a member of the legislature that voted for Senator McPherson. He died.

The CHAIRMAN. What do you mean by the real one?

Mr. BUTTZ. He was the one who was in the room at the time of the talk. He said: "You find out how he is going to vote?"

The CHAIRMAN. Who was he?

Mr. BUTTZ. He was a lawyer. He has not any trust or boodle.

The CHAIRMAN. Who was it made that statement to you? I think you are bound to give the name. It is unpleasant business, of course.

Mr. MCGOWAN. I say to the witness that he is bound not to give the name.

Senator DAVIS. On what ground?

Mr. MCGOWAN. My grounds would be these: He said that the man had no connection with any trust. To drag one more name in here to confuse the matter is wrong, and it would be a breach of the relations which Mr. Buttz had to that man. I do not think he should give the name.

Senator ALLEN. You do not claim, as a lawyer, that that is ground for a refusal?

Mr. MCGOWAN. This examination of the witness is a legal examination.

Senator ALLEN. The only ground on which he can refuse is that it will criminate him. Mr. Buttz, do you refuse to give that name?

Mr. BUTTZ. For the present.

The CHAIRMAN. I will say in your presence and the presence of your counsel that it concerns the very gist of the matter about which we are holding this investigation. It is the very heart and core of this whole question whether any money was offered, and, if so, who made the offer, and any testimony bearing on that or tending to show that anyone had any knowledge of such a scheme is the very matter which we are inquiring about.

Mr. BUTTZ. May I consult my counsel?

The CHAIRMAN. Certainly.

Mr. BUTTZ (after having consulted). I said that I was offered $1,000 if I could find out how Senator Kyle was voting.

The CHAIRMAN. Who was that man who offered it?

Mr. BUTTZ. A man who has no money to pay; a man in whom I took no stock. I told Senator Kyle at the time.

Senator ALLEN. Who was the man?

Mr. BUTTZ. You would smile if I told the name of the man.

Senator ALLEN. Do you refuse to disclose his name?

Mr. BUTTZ. For the present.

Senator ALLEN. Where does he reside?

Mr. BUTTZ. In Washington.

Senator ALLEN. How long has he resided here?

Mr. BUTTZ. For years.

Senator ALLEN. What is his street and number?

Mr. BUTTZ. I refuse to give his street and number.

Senator ALLEN. What is his occupation?

Mr. BUTTZ. A lawyer.

Senator ALLEN. How long has he been a lawyer in Washington?

Mr. BUTTZ. For years.

Senator ALLEN. How old is he?

Mr. BUTTZ. About my age. He represents no trust or boodle.

Senator ALLEN. How long before you approached Senator Kyle was it that this man made the statement to you that he would give you $1,000?

Mr. BUTTZ. I never approached Senator Kyle. It was only accidentally that I talked to him.

Senator ALLEN. How long before you approached Senator Kyle was it that this man made this statement?

Mr. BUTTZ. During the tariff legislation.

Senator ALLEN. You talked with Senator Kyle more than once on the subject?

Mr. BUTTZ. A half dozen times. I would talk about this Land Office matter.

Senator ALLEN. Did you talk with Senator Kyle's clerk, Mr. McFarlane?

Mr. BUTTZ. Senator Kyle, when I was trying to convince him that it would ruin us farmers and cause depression of business all over the country, and that he must vote against this free trade tariff bill, he asked my reasons, and I pointed out the different items. He said: "Maj. Buttz, I have been looking over the bill and I want your views." He said: "I am going over this whole schedule before I vote; however, before doing that I am going over it with my clerk. My clerk, McFarlane, served in the legislature with me." He said: "The next time you go in there—he is looking over that bill—point out to him the items that affect the farmers, so that he will have it when I get ready to go over it myself." I went there and called Mr. McFarlane's attention to it.

Senator ALLEN. Did you say to McFarlane that you could get $15,000 for Senator Kyle's vote—$14,000 for him and $1,000 for yourself—if Senator Kyle would vote against the pending tariff measure?

Mr. MCGOWAN. Under the circumstances it seems to me that this man, being charged with this offense, as he has been, all these questions imply that somebody has testified to them. This is not taken from the newspapers. It is a cross-examination, and Mr. Buttz ought to be confronted by the statements that have been made.

The CHAIRMAN. Mr. Buttz knows whether he said that or not.

Mr. MCGOWAN. Mr. Buttz is a man who is affected by paralysis, and has been affected for years. His memory is gone.

Senator LINDSAY. He can say whether he remembers.

Senator DAVIS. Mr. McFarlane, Mr. Kyle's clerk, has sworn before

this committee that about two months ago Mr. Buttz, in a conversation with McFarlane. stated to him (McFarlane) that if Senator Kyle would vote against that bill he, McFarlane, might have $14,000 and Buttz could take $1,000 more, making $15,000 for that vote. Did any such conversation as that ever take place between you and Mr. McFarlane?

Mr. BUTTZ. No; no conversation of that kind. I can state what did take place.

The CHAIRMAN. You say that no such conversation as that stated by Senator Davis took place between you and Mr. McFarlane.

Mr. BUTTZ. Not in that language. There was a conversation took place.

The CHAIRMAN. When?

Mr. BUTTZ. Oh, a half dozen times. Every time I went in we were talking.

Senator DAVIS. State what was said in the conversation with McFarlane, in the conversation referred to.

Mr. BUTTZ. I can not speak of any one occasion. I can speak as a whole; as to the substance of the talk in regard to the tariff.

Senator DAVIS. State what was said on the subject of $15,000, $14,000 of which was for him and $1,000 for yourself.

Mr. BUTTZ. I told Mr. McFarlane that a friend of mine would get $15,000, of which I would get $1,000, if I would find out how Kyle would vote.

Senator DAVIS. He was to get $14,000?

Mr. BUTTZ. The offer was in case I would find out how Kyle would vote.

Senator DAVIS. Is that all you ever said on the subject of $14,000 or $15,000 on that or any subsequent occasion?

Mr. BUTTZ. That is not all I ever said on the subject of money.

Senator DAVIS. I am speaking of the $14,000 or $15,000. Is that all you said to McFarlane on that or any other occasion?

Mr. BUTTZ. No, it is not. On at least a half dozen occasions we talked over that fund that the free-trade English fellows had raised to carry the free-trade platform, and they would raise a fund to carry it through Congress, and the protectionists would raise a fund, and they would beat it, if the Senator was willing to sell his vote. That was our imaginary talk.

The CHAIRMAN. Whose imaginary talk?

Mr. BUTTZ. Mr. McFarlane. We talked back and forth.

The CHAIRMAN. Did you talk to Mr. Kyle that way?

Mr. BUTTZ. No.

The CHAIRMAN. Did you say to him that he could get $15,000 or $100,000?

Mr. BUTTZ. No.

The CHAIRMAN. Or any other sum?

Mr. BUTTZ. Except the $14,000 or $15,000, as I told you before.

The CHAIRMAN. What was that?

Mr. BUTTZ. That a lawyer told me if I could find out in advance before they voted how Kyle was going to vote $1,000 would be mine—he could get $15,000.

Senator ALLEN. Did you ever say to Mr. McFarlane, Mr. Kyle's clerk, that the money would be given to you in an old envelope without any address upon it, and that you could pass it over to him and that nobody would know where it came from?

Mr. BUTTZ. If Mr. McFarlane said that it is as damnable a falsehood as ever a man uttered in his life, and I would like to tell him so.

Senator ALLEN. Did you call Mr. McFarlane out of the Committee on Education and Labor in the latter days of March and have a conversation with him, and say you were going down town to see these people about this matter, a syndicate of bankers from New York, your agents, and to let you know what the Senator was going to do.

Mr. BUTTZ. No; I had been in there and took lunch together with him and took a drink together with him.

The CHAIRMAN. Did you ever say to Senator Kyle on his way from his residence to this Capitol building that he could get $75,000 to $100,000 for his vote on this bill?

Mr. BUTTZ. Never said that, because I would be a fool.

The CHAIRMAN. Did you ever say to Senator Kyle that there was a syndicate of New York bankers and capitalists who had the money and would be here to pay?

Mr. BUTTZ. Certainly not. I have no doubt said that in my judgment these income-tax parties could raise thousands.

The CHAIRMAN. Did you ever say to him that there was a syndicate of bankers and capitalists who had the money here, and whom you were in communication with, who would raise that amount of money?

Mr. BUTTZ. I never said I knew. I talked that to Kyle.

Senator ALLEN. Did you ever say to Senator Kyle or his clerk that they had the money here in a bank and their agents you were in communication with?

Mr. BUTTZ. Certainly not. I knew of no such money or agent.

Senator ALLEN. How did you come to discuss this matter of the purchase of Senatorial votes?

Mr. BUTTZ. There was no talk of the purchase of Senatorial votes. The talk was that these manufacturers would raise money to defeat the bill; that these free traders we going on the theory——

Senator ALLEN. This man whose name you refuse to give, did he say where that money could be obtained?

Mr. BUTTZ. No; he said he could make $15,000 if the bill were defeated.

Senator ALLEN. And he would give you $1,000 if you could find out definitely how Senator Kyle would vote on the bill?

Mr. MCGOWAN. If the bill was beaten.

Senator ALLEN. One moment. Where did he say this money was to come from?

Mr. BUTTZ. He did not say.

Senator ALLEN. Did he not tell where he would get the money?

Mr. BUTTZ. No.

Senator ALLEN. You say he had no money himself?

Mr. BUTTZ. No; I knew he had none. I knew his financial condition.

Senator ALLEN. Why were you interested to go to Kyle and make that statement to him or Mr. McFarlane?

Mr. BUTTZ. I was only telling Mr. Kyle who these parties were, and what was said to me.

The CHAIRMAN. What parties?

Mr. BUTTZ. The parties who were fighting the tariff, and trying to get the tariff through.

Senator ALLEN. If this was an idle conversation on the part of the lawyer whose name you refuse to give, and you knew at the time it

was a mere idle conversation, why did you regard it as of sufficient importance to approach Senator Kyle or his clerk with this statement?

Mr. BUTTZ. I was telling what was offered to me.

Senator ALLEN. Did you think it was proper to carry idle conversation of that kind around to Senators?

Mr. BUTTZ. The Senator took no offense. He did not regard it as anything.

Senator ALLEN. So that from that you regarded it as a proper thing to do?

Mr. BUTTZ. I did not regard it as improper. It never entered my head.

Senator ALLEN. Why do you refuse to disclose the name of this man who said he would give you a thousand dollars if you would find out how Senator Kyle would vote?

Mr. BUTTZ. Because my attorney instructed me.

Senator ALLEN. On what ground does he base his instruction?

Mr. BUTTZ. I do not base it upon any ground, except that my attorney advised me.

Senator ALLEN. Do you put it upon the ground that it would criminate you?

Mr. BUTTZ. No, because I have not done anything to criminate me.

Senator ALLEN. You put it upon the ground that your attorney has advised you?

Mr. BUTTZ. Yes.

Senator ALLEN. You did not do it upon the ground that it would criminate you?

Mr. BUTTZ. No.

Senator ALLEN. I move the witness be directed to give that name.

Mr. BUTTZ. I will ask that I be given until to-morrow.

Mr. MCGOWAN. I advised my client in the back of the room that he should see this man with regard to this idle chaff before he gave the name.

Senator LODGE. Did you represent at any time that you represented a syndicate or any body of interested persons for the defeat of the tariff bill?

Mr. BUTTZ. Never in the world, because it would be useless, and because men might get the impression that the general idea is that there was a syndicate, or would be.

Senator LODGE. I ask you again, do you say you do not pretend to represent any syndicate?

Mr. BUTTZ. I do not.

SWORN TESTIMONY OF MR. JAMES W. WALKER.

The CHAIRMAN. Where is your residence?

Mr. WALKER. I reside at No. 719 Eighth street NW., Washington, D. C. My office is 472 Louisiana avenue NW., in this city.

The CHAIRMAN. What is your age?

Mr. WALKER. I am 68 years old.

The CHAIRMAN. Do you know Mr. C. W. Buttz?

Mr. WALKER. Yes.

The CHAIRMAN. How long have you known him?

Mr. WALKER. I knew him some years ago. As a preliminary, I will state that I am a Virginian; I live in the State of Virginia, and as far back as 1869 I knew Mr. Buttz in that State. I never met him in this

city, however, until winter before last. I saw something of him winter before last, and this winter I have seen him almost daily. We live at the same house, board at the same house. Whilst I have never been in his room, I have met him almost daily in the public room of the house, and in that way I have known him.

The CHAIRMAN. Do you recollect giving him a letter of introduction to Mr. Eppa Hunton, jr., at Warrenton?

Mr. WALKER. Yes.

The CHAIRMAN. Is that the letter? (Producing letter heretofore made of record.)

Mr. WALKER (after examining). Yes. That is my handwriting, and I recollect writing it under a very dim light. That is my writing.

The CHAIRMAN. You were about to state the circumstances under which you wrote it.

Mr. WALKER. Mr. Buttz stated in my presence, and I think to me in the presence of others in the house, that he had some claim before the Land Office, the Interior Department. He asked me if I knew any prominent Democratic lawyer from the South who would take a claim or present a claim before the Department. I hesitated for some time and at first I told him that I did not remember any at all. He said, "I have a claim here before the Land Office and I would like to employ some Democratic lawyer who has been in the habit of practicing before this Department and who might have some influence in these Departments."

After thinking awhile I said to him, "There is a young man in Warrenton, young Mr. Hunton, whom I do not know personally. I know his father very well. I knew young Hunton when a boy. I have learned from others that he is a good lawyer. I know that he is a prominent member of the legislature in Virginia at this time." This was some time in the month of March or April. Mr. Buttz asked me if I would give him a letter of introduction to Hunton. I declined to do it at first, because I said I did not think Mr. Hunton would remember me, although I knew his father in public life twenty-five or thirty years ago, when young Hunton was a little child. And I knew so little about him personally that I felt a delicacy in giving Mr. Buttz a letter of introduction at that time. The subject was introduced afterward in the same house in the presence of one or two gentlemen who now live in the house—boarders. Mr. Buttz said: "What you have said about Mr. Hunton has impressed me, and I would like to employ him in this case of mine." Mr. Buttz told me what was the nature of the case. I think it was some land case that he had, land in Montana Territory or Montana State. That is my impression. He said: "I want to employ some Democratic lawyer. This is a Democratic administration; you are a Democrat," and all that sort of thing, and "I think I would like to employ some Democratic lawyer." It was in that way I first suggested young Hunton, not that I expected that Mr. Buttz would employ him, or anything of that sort. I merely said to him that I knew Mr. Hunton and he had been represented as a good lawyer. "I know he is a very prominent member of the legislature."

The CHAIRMAN. And you gave Mr. Buttz that letter?

Mr. WALKER. I gave him that letter. I did know Buttz, in 1869, in the State of Virginia. He was then, what we termed in our State, a carpet bagger. It was before the State was reconstructed. I was a candidate in my State for the legislature, and I was a member of the convention that nominated Walker for governor. I took a good deal of interest in the politics of the State at that time.

The CHAIRMAN. That is the way you became acquainted with Buttz?

Mr. WALKER. That is the way. Buttz was a Republican and member of the Republican convention, and I do not hesitate to say how I become acquainted with him.

The CHAIRMAN. That is the way you became acquainted at the time?

Mr. WALKER. Yes.

The CHAIRMAN. And you gave him this letter?

Mr. WALKER. Yes.

The CHAIRMAN. And these are the circumstances under which you gave it.

Mr. WALKER. Those are the circumstances under which I gave it.

The CHAIRMAN. Did you say anything about a letter to Mr. Eppa Hunton, jr., by his father?

Mr. WALKER. He said to me afterward——

The CHAIRMAN. Was that after you gave the letter?

Mr. WALKER. I will give you my remembrance. I saw him generally. I would come from my office at 6 o'clock. When I first declined to give this letter I think Mr. Buttz said to me, "I have seen Mr. Hunton's father and asked him to give a letter, and he declined to do it."

The CHAIRMAN. This is when he first asked you?

Mr. WALKER. That was afterwards. He first asked me before, in March, I reckon, and then sometime in the first of April. Mr. Buttz said that he had asked Mr. Hunton's father for the letter of introduction, and that his father declined to give it on the ground that this land claim in which he was interested might ultimately come up before the Senate, and he (Senator Hunton) would be required to vote upon it. Now, that is my recollection. But he persisted that he would like to employ young Hunton.

The CHAIRMAN. Did he speak of any other business than the land business?

Mr. WALKER. None in the world. And he really made some overtures to me to employ me, but I never practiced before the Departments, and I declined. I think I recommended Mr. Hunton to him upon the ground that Mr. Hunton was a young man, prominent lawyer, and member of the legislature in Virginia, and his father was a member of the Senate.

Senator LINDSAY. How much time elapsed between the first time that Mr. Hunton was discussed and the time at which you finally gave the letter?

Mr. WALKER. I really could not say. I do not think his name was discussed afterwards until he came to me and asked me if I would not be kind enough to say to Mr. Hunton in this letter that he wanted to employ him in the law case.

Senator LINDSAY. Was it as much as three weeks?

Mr. WALKER. I think it was. I really did not treasure it up.

Senator LINDSAY. Did he say anything to you at the time you gave the letter, or at any time, that he expected to discuss the tariff or the possibility of defeating the tariff bill?

Mr. WALKER. No; I never discussed that question. I think it was discussed with Maj. Harris, quite a prominent man from the South. I advocated this tariff bill, but I never asked Mr. Buttz about the tariff bill.

The CHAIRMAN. Is Maj. Harris dead?

Mr. WALKER. Yes; Maj. Harris died a few weeks ago, after I gave this letter.

Senator ALLEN. Was Maj. Harris a lawyer?

Mr. WALKER. Yes.

Senator ALLEN. Were they all lawyers who boarded at the same place where you boarded?

Mr. WALKER. Maj. Harris used to be a lawyer, but he had some claims against the Government—cotton claims.

Senator ALLEN. Were there any other lawyers boarding there besides yourself?

Mr. WALKER. No.

Senator ALLEN. Do you know of any lawyers in the city whom Mr. Buttz was in the habit of associating with—visiting?

Mr. WALKER. I have seen him with some lawyers. Some lawyers used to come there; a gentleman named McGowan, who was counsel for Maj. Harris.

Senator ALLEN. What time was that?

Mr. WALKER. I knew a Mr. McGowan and some other lawyer who used to come there consulting with Maj. Harris upon some business of his. He had some claims before Congress or the Departments. I knew nothing about them.

Senator ALLEN. Who were the lawyers; do you know?

Mr. WALKER. I do not know. I never met them except to be casually introduced to them in the hall.

Senator ALLEN. Did you ever hear Buttz discuss the tariff question with them?

Mr. WALKER. I never did. Certainly not in my presence.

Senator ALLEN. Did you ever hear him discuss the tariff with these lawyers?

Mr. WALKER. No. I never was in Buttz's room. The only place I met him was in the public room and Maj. Harris's room.

Senator ALLEN. Was anything ever said by Maj. Buttz about money to defeat the tariff bill?

Mr. WALKER. No.

Senator ALLEN. Did Maj. Buttz ever say anything to you?

Mr. WALKER. Never did.

Senator ALLEN. Or any other persons there?

Mr. WALKER. Never did. I knew that Maj. Harris was very much opposed to Cleveland's administration and this tariff bill, and we used to discuss that in there, but never discussed it in the presence of Buttz.

Senator ALLEN. Do you know whether Maj. Harris was representing any New Jersey or New York interests here in this city?

Mr. WALKER. I do not. I think he had some cotton claims or some other claims in the West.

Senator ALLEN. How long had he been here before his death?

Mr. WALKER. Five or six years. I never boarded at this house until last November or December.

Senator ALLEN. Did you ever hear anything going on among your acquaintances at the hotel about the use of money?

Mr. WALKER. No. This is only a boarding house.

Senator ALLEN. You met there in the public parlor and reception room?

Mr. WALKER. We used to meet down there and play cards in the parlor; and I met Buttz there. I had been in Maj. Harris's room.

Senator ALLEN. Did you know what Mr. Buttz's business was in the city?

Mr. WALKER. Only he told me that he represented some claim before the Land Office from Great Falls, Mont.

Senator ALLEN. Did he ever say anything to you about representing any wool interests, or anything of that kind?

Mr. WALKER. He never did. I never discussed politics or anything else with Mr. Buttz, and I do not believe that any one in the house did but Maj. Harris.

Senator ALLEN. Were Maj. Buttz and Maj. Harris frequently together?

Mr. WALKER. Yes. I have seen Maj. Buttz in Maj. Harris's room.

Senator ALLEN. They used to visit back and forth?

Mr. WALKER. Yes. I used to play cards in there.

Senator ALLEN. Did you ever see any other lawyer there with Maj. Buttz?

Mr. WALKER. Yes; old Judge Harris, of this city.

Senator ALLEN. What is his name?

Mr. WALKER. George T. Harris.

Senator ALLEN. What is the number?

Mr. WALKER. Grant Court—Grant Row. Judge Harris was there often. He was from this city and he had some claims here. My impression is that Maj. Harris was representing these claims of Judge Harris as one of his counsel. Judge Harris was formerly a member of Congress and once attorney-general of Mississippi.

Senator ALLEN. What other lawyers did you see except Maj. Harris and Maj. Buttz?

Mr. WALKER. Maj. Carrington used to come there to see me.

Senator ALLEN. I speak of Maj. Harris's room.

Mr. WALKER. I do not know any of them. I know one or two lawyers who came there whom he did not know.

Senator ALLEN. Do you know whether Judge Harris was representing any corporate interests there?

Mr. WALKER. No, he was not. Judge Harris told me that he had employed Maj. Harris to attend to some matters here that he had before the Departments.

Senator ALLEN. How old a man in your judgment is Judge Harris?

Mr. WALKER. As old as I am.

Senator ALLEN. How old a man was Maj. Harris?

Mr. WALKER. Sixty-one or 62 years of age. I am 68 years of age, or nearly so.

Senator ALLEN. If any lawyer had come into that boarding-house frequently to see Maj. Buttz, who lived there, boarded there, and talked upon the subject of the use of money to influence votes on the tariff issues, have you any idea who that man was?

Mr. WALKER. I certainly have not, and I think I would have heard something about it.

Senator ALLEN. Do you know of any lawyer whom Maj. Buttz was in the habit of visiting, at his office or home?

Mr. WALKER. I do not. There was one lawyer whose name I mentioned just now that used to come to see him and who was counsel for Maj. Harris. I do not think Maj. Carrington ever knew anything about Buttz or Maj. Harris, except what he learned from me. Maj. Carrington came to see me.

Senator ALLEN. What interests was Mr. McGowan representing?

Mr. WALKER. I think he was Maj. Harris's counsel. He used to speak to me frequently about his friend McGowan.

Adjourned until to-morrow, 22d instant, at 10 o'clock a. m.

WASHINGTON, D. C., *May 22, 1894.*

The committee met pursuant to adjournment.

Present: The chairman (Senator Gray), Senators Lindsay, Davis, Lodge, and Kyle.

Mr. McGowan, counsel for Mr. Buttz, appeared before the committee and announced that Mr. Buttz had been looking for the man whose name he was directed to furnish to the committee, and did not know until this morning that the man had left the city, and therefore suggested that Mr. Buttz was not as yet prepared to give the name, having failed to secure the party's consent thereto; whereupon Mr. McGowan was informed by the chairman that the right of the committee to the name of the party did not depend upon that party's consent, and Mr. McGowan was directed to produce Mr. Buttz for the purpose of disclosing the name.

SWORN STATEMENT OF SENATOR RICHARD COKE.

The CHAIRMAN. You are a Senator of the United States from the State of Texas?

Senator COKE. I am.

The CHAIRMAN. You are serving as such at this present session of Congress?

Senator COKE. I am.

The CHAIRMAN. Do you know Senator Eppa Hunton?

Senator COKE. Very well.

The CHAIRMAN. And Senator Kyle?

Senator COKE. I know both of them.

The CHAIRMAN. How long have you known Mr. Kyle?

Senator COKE. Since he has been a member of the Senate. I do not remember how long that has been.

The CHAIRMAN. How long have you known Senator Hunton?

Senator COKE. I knew him casually before he became a member of the Senate, and very well since.

The CHAIRMAN. Did you ever hear Senator Hunton speak of the visit of a man named Buttz to his son?

Senator COKE. I heard him relate the whole thing.

The CHAIRMAN. How long ago was that?

Senator COKE. Some three weeks ago, I reckon.

The CHAIRMAN. Narrated it to you?

Senator COKE. Narrated it to me and Senator Harris; I think we were together. I think he talked with me, but I was not with Senator Harris.

The CHAIRMAN. Just state the substance as briefly as you can.

Senator COKE. The substance was that this man—I do not know that he was named at the time—had been up into Warrenton where his son lives and made a proposition to his son respecting the Senator's vote in the Senate on the tariff bill.

The CHAIRMAN. Do you recollect how long ago that was?

Senator COKE. It has been some three weeks ago. I ask Senator Harris if that is not so?

Senator HARRIS. Do you speak of the Eppa Hunton episode?

Senator COKE. Yes.

Senator HARRIS. I can not fix the time. It has been four or six weeks ago, and more likely six than four.

The CHAIRMAN. You say that you know Senator Kyle?

Senator COKE. Yes.

The CHAIRMAN. Did he ever speak to you about a man named Butts approaching him on the tariff bill?

Senator COKE. He spoke to me about a man who approached him and the circumstances, that is, the methods that he, Kyle, pursued with the man to secure testimony against him. That is about the time Senator Hunton had spoken to us about it.

The CHAIRMAN. In brief, what was it that Senator Kyle said? Do not give any details at all.

Senator COKE. He did not go much into details. On the same day, I think, I told Senator Hunton about what Senator Kyle told me. I think Senator Kyle said that this man had approached him and that he had referred him to his secretary.

The CHAIRMAN. Did he say what his purpose was in referring him to the secretary?

Senator COKE. To get some other evidence besides his own.

The CHAIRMAN. Did he give the name of the man who approached him?

Senator COKE. He did not give the name of the man. I did not ask the name of the man. I do not think Senator Kyle gave the name of the man.

The CHAIRMAN. Did he say in what manner he approached him?

Senator COKE. He approached him in reference to his vote against the tariff bill.

Senator ALLEN. Did you understand Mr. Kyle to tell you this right shortly after it occurred?

Senator COKE. Yes.

Senator ALLEN. About the time it occurred?

Senator COKE. About the time it occurred, and did not bind me over to secrecy.

Senator ALLEN. He told you that he was working this man to get more evidence against him?

Senator COKE. He told me that he talked with this fellow and concluded in his own mind that he wanted some other testimony against him and he referred the man to his secretary.

Senator ALLEN. It was for the purpose of getting additional testimony against the man?

Senator COKE. Yes.

SWORN STATEMENT OF SENATOR DANIEL W. VOORHEES.

The CHAIRMAN. You are a Senator of the United States from the State of Indiana?

Senator VOORHEES. Yes.

The CHAIRMAN. And have been such during the present session of Congress?

Senator VOORHEES. Yes.

The CHAIRMAN. Do you know Senator Kyle?

Senator VOORHEES. I do.

The CHAIRMAN. How long have you known him?

Senator VOORHEES. Since he entered the Senate.

The CHAIRMAN. Will you please state to the committee whether Senator Kyle at any time made any statement to you in regard to a

man named Buttz or some man approaching him in regard to his vote on the tariff bill?

Senator VOORHEES. He made a statement to me regarding some man. I do not remember whether he mentioned the name.

Senator DAVIS. How long ago was that?

Senator VOORHEES. It was shortly before I spoke. I was thinking a while ago. I spoke in opening this tariff debate on the 2d of April, and in fixing the thing in my mind, which is somewhat difficult to do, I concluded it was prior to that and a little while before, maybe a week or ten days. Mr. Kyle stopped me at his seat when I was passing him and talked in a manner that led me to believe he was a good deal impressed; that he had been approached on this subject, mentioned the amount, the circumstances somewhat, and of getting it through his clerk, I believe. I do not think he mentioned the name of the party. If he did it has escaped my mind. He talked with me as if attaching a good deal of importance to it. I remember I thought at the time that he was perhaps attaching more importance to it than was due. I am not apt to attach much importance to matters of that kind unless they assume very definite proportions. He said something about intending to discover the bottom of it to find out what there was to it, which I commended—thought that was well—if there was money floating around to influence legislation it was well to find it out. The conversation was a marked one on his part, and yet I can not give any more of the details.

Gen. Hunton never spoke to me on the subject unless quite lately, since the matter was agitated.

Senator ALLEN. Did you understand from Senator Kyle that he had been approached just prior to that time?

Senator VOORHEES. It seems to me that way?

Senator ALLEN. The latter part of March?

Senator VOORHEES. That is the impression that was made upon my mind, that the circumstance was a recent one with him and had made a marked impression on him.

Senator ALLEN. Did you understand from what he said of his directing this party to speak to his clerk as part of the method he had adopted for the purpose of developing the fact of getting accumulated evidence against the man?

Senator VOORHEES. Yes; I got that impression.

SWORN STATEMENT OF SENATOR ISHAM G. HARRIS.

The CHAIRMAN. You are a Senator of the United States from the State of Tennessee?

Senator HARRIS. I am.

The CHAIRMAN. And have been such during the present session of Congress?

Senator HARRIS. I have.

The CHAIRMAN. Do you know Senator Eppa Hunton, of Virginia?

Senator HARRIS. Very well.

The CHAIRMAN. He is a Senator of the United States from the State of Virginia?

Senator HARRIS. Yes; he is.

The CHAIRMAN. Will you be good enough to state to the committee whether Senator Hunton made any statement to you, and if so, what,

as to an attempt on the part of a man named Buttz, or any man, to influence his vote in regard to the tariff bill.

Senator HARRIS. Quite five or six weeks ago, but my memory is uncertain as to the time; immediately after the return of Senator Hunton from his home in Virginia, he asked me to go into the marble room, where he said to me that a man from Washington had come to Warrenton (if that be the place of his home in Virginia) bringing a letter of introduction to his son from some other man in Washington, who, in the course of his visit, had offered to his son—I think he said—$25,000, if he (the son) would control his father's vote against the pending tariff bill, and asked me what I thought he ought to do in respect of such matter. I told him the inclination of my mind at first blush. As it was evident such effort was being made to attempt to use money to influence votes in the Senate, he ought to announce the fact in the Senate. But I said, consult some other Senator. He said I was the first and only person to whom he had mentioned the fact. I suggested, I do not remember whom, but advised him to consult with other Senators about it, giving as my own opinion that it was a matter to which public attention should be called.

I afterwards learned from him that he had conferred with other Senators, but he felt a delicacy, as he said to me, in announcing the fact that anybody on earth should think that he could be approached in such a way.

The CHAIRMAN. Had some feeling of mortification about it?

Senator HARRIS. Yes, decidedly; expressed to me a sense of humiliation that anybody under any circumstances should think that he could be approached in such a matter.

The CHAIRMAN. Did Senator Kyle speak to you?

Senator HARRIS. He did not. I heard of the Kyle matter through Senator Coke. Kyle did not talk to me about it.

SWORN STATEMENT OF SENATOR WILLIAM B. BATE.

The CHAIRMAN. You are a Senator of the United States from the State of Tennessee?

Senator BATE. Yes.

The CHAIRMAN. Do you know Senator Kyle, from South Dakota?

Senator BATE. Yes.

The CHAIRMAN. He is a Senator of the United States?

Senator BATE. Yes.

The CHAIRMAN. How long have you known him?

Senator BATE. Only since he came here to the Senate.

The CHAIRMAN. Did Senator Kyle ever speak to you or make any statement, and if so, what, in regard to an interview that he had with a man named Buttz or any person as to the vote he should give on the tariff bill?

Senator BATE. Yes. Senator Kyle and I sit side by side. He sat there before the death of Senator Vance, the seat being vacant, he being just behind me, and after the death of Senator Vance it became his seat. He sits on my right.

I do not know what brought the matter up, but it was through a discussion about lobbyists exercising influence on the tariff question that brought it up. He said there was evidence of that being used. I said, "How do you know?" He said, "I have been approached myself." I said, "About this matter—this tariff question?" He said, "Yes." I

said, "What did you do about it?"—something to that effect; before I said what did you do, I said, "Didn't you knock the fellow down?" He said, "No." I said, "Why did you not do it?" He then said he took, he thought, a better course, a wiser course. I said, "What did you do?" He said to me, "I sent him to my clerk." I said, "What clerk?" He said "The clerk of my committee." He perhaps mentioned his name, which I do not remember, and do not remember that he gave the name of the committee. I said, "What did you do that for?" He said, "I wanted another witness." He said "I wanted to be backed up"—something of kind. That was the substance—that he wanted to catch him; wanted to have somebody substantiate him in any statement that he made. That is what Senator Kyle said to me. I said, "Maybe in that view it is better." I said, "What are you going to do in the matter." He said he did not know. He asked me what he ought to do. I said, "If you had knocked the fellow down it would have been better."

The CHAIRMAN. About what time was this?

Senator BATE. I can not give you the date with accuracy, but some couple of weeks before he left here, and I understand he left the first of May to go home, so that I think it was five or six weeks ago. It may have been a little earlier or a little later.

Senator ALLEN. You understood from Senator Kyle that what he was doing all the way through was with the view of developing the fact that bribes were being offered.

Senator BATE. Clearly so. He made that as a reason to me for not knocking the fellow down.

Senator ALLEN. To get hold of as much evidence to that fact as possible at the time?

Senator BATE. Yes.

SWORN STATEMENT OF SENATOR JAMES K. JONES.

Senator DAVIS. You are a Senator from the State of Arkansas?

Senator JONES. Yes.

Senator DAVIS. Do you know Senator Hunton?

Senator JONES. I do.

Senator DAVIS. How long have you known him?

Senator JONES. For a number of years; I can not say how long—twelve or fourteen, ten or twelve years, I should say.

Senator DAVIS. Do you remember having a conversation with Senator Hunton during the present session in respect of an improper advance to him on the pending tariff bill?

Senator JONES. Yes; some time ago; I do not remember how long ago; Gen. Hunton said he wanted to talk to me one morning about a matter, a very delicate matter. He stated that on the day before, I think, or a day or two before, some man had gone to the home of his son in Virginia and had offered to give him $25,000 if he would make an argument that would make him vote against the tariff bill. He seemed to be very much worried and annoyed about it, and was doubtful about just what he ought to do, and was advising with me what course he should take in the matter. I did not give him any opinion, for I was doubtful about what he ought to do.

Senator DAVIS. Did he say what sum had been offered?

Senator JONES. Twenty-five thousand dollars, I think, was the sum.

Senator DAVIS. Can you fix the date with any more precision than you have?

Senator JONES. The only way I can approximate it is that I think the proposition was made the day before or the second day before.

The CHAIRMAN. Had Senator Hunton just returned from Virginia?

Senator JONES. That was my understanding—that he had just learned of the affair.

The CHAIRMAN. Had he just returned from Virginia.

Senator JONES. I do not know, but it was my impression that he had just learned of the offer; learned it within twenty-four hours.

Senator ALLEN. You understood that he spoke to you promptly?

Senator JONES. That is, immediately after he learned it himself. My impression is that he spoke to me on Monday morning; probably Tuesday morning. It was in the early part of the week, and I was under the impression that it had just occurred.

SWORN STATEMENT OF SENATOR GEORGE G. VEST.

The CHAIRMAN. You are a Senator of the United States from the State of Missouri?

Senator VEST. Yes.

The CHAIRMAN. And you are serving at the present session of Congress?

Senator VEST. Yes.

The CHAIRMAN. Do you know Senator Hunton, of Virginia?

Senator VEST. Very well.

The CHAIRMAN. The present Senator of the United States from that State?

Senator VEST. Yes.

The CHAIRMAN. How long have you known him?

Senator VEST. I have known him twenty-five years.

The CHAIRMAN. Did Senator Hunton ever make any statement to you, and, if so, what, as to the approach of a man named Buttz or some person to his son for the purpose of controlling his vote on the tariff bill?

Senator VEST. Yes. I would not undertake to give the exact date, but I was sitting in my seat in the Senate some weeks ago, possibly six weeks—I will not be positive about that—and I saw Senator Hunton in conversation with the chairman of this committee (Senator Gray) in the same aisle where my seat is. Senator Gray occupied Senator Ransom's seat—he and Senator Blackburn. At the termination of their conversation—I was engaged in writing something—Senator Hunton came to my desk and said he wanted to talk to me. He then went on to say it was a very delicate matter and one that gave him a good deal of trouble; that he was humiliated in having his name connected with any such transaction as he named.

He then said that his son had written him that a man had come to him (the son) with a letter of introduction from somebody in Washington, and my recollection is that this man wanted to see young Hunton at Warrenton in regard to a land claim, and wound up by saying that he wanted to give young Hunton $25,000 if he would get his father to vote against the tariff bill; that they intended to beat the bill; that this man, whose name I do not remember, and I do not think Senator Hunton gave it, was prepared to furnish young Hunton a written brief and argument which would furnish all the ostensible reasons necessary for his father to give that vote. There was a good deal more said, but that was about the substance. Senator Hunton

asked my advice. I asked him if he knew the man named who had given the letter of introduction to this person. He said he did not. Said I, "It seems to me the first thing to do is to ascertain that."

I said I would go down and see my son or write him and find out all the details of the transaction. I said, "of course there is but one of two things to do in a case of this sort—either to say nothing about it, (and that was a question for him to determine for himself,) or if he should mention it to go to the bottom of it. He said he wanted to go to the members of the Finance Committee, his friends. He said he did not object to my mentioning it to any Senator. I did talk to Senator Mills about it. But I did not hear anything more about it until this item in the newspapers. You may be able to fix the date, because we talked of it and discussed the matter shortly after the Senator left me.

WASHINGTON, D. C., *May 23, 1894.*

The committee met pursuant to adjournment.

Present: The Chairman (Senator Gray), Senators Lindsay, Davis, Lodge, and Kyle.

SWORN TESTIMONY OF MR. C. W. BUTTZ—Resumed.

The CHAIRMAN. When you were testifying last, on Monday evening, you spoke of an attorney in Washington who had told you that if he could find out how Senator Kyle would vote on the tariff bill he, the attorney, would get $15,000, of which you would get $1,000.

Mr. BUTTZ. That he would make $15,000.

The CHAIRMAN. And give you $1,000.

Mr. BUTTZ. And give me $1,000 to find out.

The CHAIRMAN. You were asked the name of the attorney, which you were at that time declined to give. Are you prepared to give it now?

Mr. BUTTZ. Yes. I have seen the gentleman, and he did not consent to my giving his name. He denies that he told me that.

The CHAIRMAN. Who is that gentleman?

Mr. BUTTZ. His name is Edward Holman. He has a middle name, Edward K. Holman or Edward G. Holman. Your will find it in the directory. You will find his law office on G street between Seventh and Eighth streets, on the north side of G.

The CHAIRMAN. How long had you known him?

Mr. BUTTZ. Oh, four or five years—no, two or three years, I guess.

The CHAIRMAN. How old a man is he?

Mr. BUTTZ. About your age, I guess.

The CHAIRMAN. Where was it that he so told you that he could make $15,000 if he could find out how Senator Kyle would vote on the tariff bill, and would give you $1,000 for doing that?

Mr. BUTTZ. I never said that he could make $15,000 if I could find out how Senator Kyle would vote, but he could make $15,000 if the tariff bill was beaten, and would give me $1,000 if I could find out how Senator Kyle would vote.

The CHAIRMAN. Where was this?

Mr. BUTTZ. At my boarding house.

The CHAIRMAN. Does he call there frequently?

Mr. BUTTZ. No. He called there to see me at the house. It was in Maj. Harris's room.

The CHAIRMAN. When was it?

Mr. BUTTZ. Early in April. Maj. Harris was taken sick, and he died on the 11th of April, and he was sick about a week. He had acute pneumonia, and died in about a week. I think he was in Mr. McGowan's office the day he was taken sick. He was out on the street.

The CHAIRMAN. When was that?

Mr. BUTTZ. He died on the 11th, and I think it must have been a week before that, between the 1st and 5th of April.

The CHAIRMAN. How long afterwards was it that you told Senator Kyle?

Mr. BUTTZ. I had several interviews with Senator Kyle about the matter, and I do not know at which one of those interviews it was, but it was soon afterward.

The CHAIRMAN. Was it the first interview in which you talked about the tariff, and the only one?

Mr. BUTTZ. I do not know that we talked before. I said so much to him about money that I do not feel able to say. I took little stock in him; it was mere idle talk.

The CHAIRMAN. According to your best recollection it was between the 1st and 5th of April that Mr. Holman so told you?

Mr. BUTTZ. That was the talk in Mr. Harris's room, and I believe with Mr. Holman.

The CHAIRMAN. Who was present at the interview?

Mr. BUTTZ. Maj. Harris was there.

The CHAIRMAN. Any one else?

Mr BUTTZ. That I do not recollect—whether Mr. Rollins was there or not. Maj. Harris was feeling unwell, and he had been feeling unwell for three or four years. He was out three or four days, and was out the day before he was taken sick with acute pneumonia, but he kept his room mostly for three years; would go out very little.

The CHAIRMAN. What did you say to that proposition of his?

Mr. BUTTZ. I told him that I did not know whether I could find out or not; that when I saw Mr. Kyle again I would try to find out whether he would vote for or against the bill; that I was opposed to it.

The CHAIRMAN. Did Mr. Holman ever speak to you again about the matter?

Mr. BUTTZ. No; Maj. Harris was taken sick about that time, and got so sick that nothing further was ever said to him, and I have no more recollection about Holman speaking to me about it until I went to see him the other day.

The CHAIRMAN. Did he ever ask you whether you found out how Mr. Kyle would vote?

Mr. BUTTZ. No; I do not recollect. I do not think there was any talk about that. I do not think I ever told him.

The CHAIRMAN. Did he ever ask you whether you had found out?

Mr. BUTTZ. No; I do not think he did.

The CHAIRMAN. Did you find out?

Mr. BUTTZ. No; I did not.

The CHAIRMAN. After that did you see Mr. Holman?

Mr. BUTTZ. Mr. Holman's office is right around the corner from where I room, and I saw him quite frequently. I have been here all winter.

The CHAIRMAN. You did see Mr. Holman frequently after that?

Mr. BUTTZ. No; I do not think I did. I did not see him frequently

and talk to him, but he would pass and repass, and he frequently came into Maj. Harris's office.

The CHAIRMAN. How often did you meet him?

Mr. BUTTZ. I can not say that.

The CHAIRMAN. Did you meet him in the sense of a person whom you knew and have some interchange of speech with him?

Mr. BUTTZ. I may have met him two or three times afterwards.

The CHAIRMAN. And you are sure the matter was not mentioned afterward?

Mr. BUTTZ. I have no recollection that it was.

The CHAIRMAN. You say you did say you would try to find out how Senator Kyle would vote?

Mr. BUTTZ. I did have a talk with Mr. Kyle to try to persuade him that it would be to the interest of our Northwest farmers to defeat the tariff bill.

The CHAIRMAN. And you did tell Mr. Holman that you would try to find out?

Mr. BUTTZ. I did.

The CHAIRMAN. And you never succeeded?

Mr. BUTTZ. No.

The CHAIRMAN. And you afterwards met Mr. Holman?

Mr. BUTTZ. I do not recollect telling him.

The CHAIRMAN. You did not tell him of your want of success?

Mr. BUTTZ. No.

The CHAIRMAN. And he never asked you?

Mr. BUTTZ. He never asked me. I regarded it more as idle talk, and took no serious account of it.

The CHAIRMAN. Is Holman a man engaged in practicing law here now?

Mr. BUTTZ. I believe he is.

The CHAIRMAN. An active practitioner?

Mr. BUTTZ. I believe so.

The CHAIRMAN. A man of standing at the bar?

Mr. BUTTZ. I do not know how he stands at the bar.

The CHAIRMAN. How does he impress you?

Mr. BUTTZ. It strikes me he stands well.

The CHAIRMAN. Struck you as a man of intelligence and character?

Mr. BUTTZ. Yes.

The CHAIRMAN. So far as you know, I mean?

Mr. BUTTZ. Yes.

The CHAIRMAN. And you have no other acquaintance with him?

Mr. BUTTZ. No.

The CHAIRMAN. Do you know of his being engaged in matters before Congress, promoting them or opposing them?

Mr. BUTTZ. He came to me one day with a bill and asked me to get Senator Hansbrough to introduce it. It was a bill relating to a party down in the navy-yard who had been killed by loading a shell—bomb.

The CHAIRMAN. A claim on the Government that required the action of Congress?

Mr. BUTTZ. He wanted a bill introduced to pay the widow for the loss of her husband's life.

The CHAIRMAN. One of those ordinary classes of cases against the Government that require Congressional action?

Mr. BUTTZ. Yes.

The CHAIRMAN. Is that the only case which you know of Mr. Holman being engaged in?

Mr. BUTTZ. The only one I recollect.

The CHAIRMAN. Had you ever consulted him about any claims against the Government and before Congress?

Mr. BUTTZ. No.

The CHAIRMAN. Had you ever employed him in any legal matters?

Mr. BUTTZ. No.

The CHAIRMAN. So far as you know, Mr. Holman is a man of good standing, intelligence, and character?

Mr. BUTTZ. Yes.

The CHAIRMAN. Why did you say that if you should tell us who it was we would laugh?

Mr. BUTTZ. Well, I believed you would, because there is no earthly relation to it. I do not believe either of them had a cent or any means of getting it.

The CHAIRMAN. Why did you say that when we heard his name we would laugh?

Mr. BUTTZ. I, perhaps, made a thoughtless remark to that extent. I do not know of anything in his name to laugh about, but about the proposition of $15,000.

The CHAIRMAN. You say that Mr. Holman is a man of fair intelligence, and, so far as you know, of good standing and character in the community?

Mr. BUTTZ. Yes, sir.

The CHAIRMAN. A lawyer, and has an office?

Mr. BUTTZ. Yes.

The CHAIRMAN. What is there about him that would excite amusement at hearing his name?

Mr. BUTTZ. I do not think that remark I intended to apply to him, but I think to the transaction—what was said.

The CHAIRMAN. You told us what was said. You said we would be amused, or laugh, some such expression, when we heard his name.

Mr. BUTTZ. I did not mean that as applying to him.

The CHAIRMAN. Mr. Holman is the gentleman you had in mind on Monday?

Mr. BUTTZ. Yes.

The CHAIRMAN. Where were you yesterday? I ask because we expected you here yesterday at 10 o'clock.

Mr. BUTTZ. I was looking for a witness in the matter.

The CHAIRMAN. What witness?

Mr. BUTTZ. I could not find him.

The CHAIRMAN. What is his name?

Mr. BUTTZ. Clinton Rice.

The CHAIRMAN. Where does he live?

Mr. BUTTZ. He lives in Washington, here.

The CHAIRMAN. What is his business?

Mr. BUTTZ. I think he is a claim agent.

The CHAIRMAN. Has an office here?

Mr. BUTTZ. I think he has rooms here.

The CHAIRMAN. Where was he from originally?

Mr. BUTTZ. That I do not know.

The CHAIRMAN. How long have you known him?

Mr. BUTTZ. I never knew him intimately, but off and on for two or three years—about two years. I heard that he was at Leesburg, Va., and I went and took the train to find him on yesterday, but was unable to find him, and came back. I told Mr. McGowan.

The CHAIRMAN. Why was it necessary to see Mr. Rice before you testified on yesterday?

Mr. BUTTZ. It was not necessary. I did not think of Mr. Rice in my testimony yesterday. He had no connection with it.

The CHAIRMAN. Had he ever spoken to you about beating the tariff bill?

Mr. BUTTZ. We had general talks. I wanted to talk with him on another matter.

The CHAIRMAN. Had he ever talked with you about beating the tariff bill?

Mr. BUTTZ. I do not think he had.

The CHAIRMAN. Had he ever talked to you about Mr. Kyle and Mr. Hunton?

Mr. BUTTZ. I do not think I had. If anything, it was between Holman and Harris, and I wanted to find out if Rice did know. I wanted to see and talk with him; that is all.

The CHAIRMAN. Then you were not looking for the person Holman?

Mr. BUTTZ. No; I went to see Mr. Holman soon after leaving the committee room that day.

The CHAIRMAN. Then you are not seeking Holman to get his consent to your stating his name?

Mr. BUTTZ. No; I went to see Holman soon after I left the committee room.

The CHAIRMAN. You gave your counsel the impression that you were looking for the person whose name you declined to give on Monday, and that when you found him you would be here?

Mr. BUTTZ. That was a wrong impression that he got; that was not the fact. I went directly from the committee room that day to hunt up Mr. Holman; went to his house to see him.

The CHAIRMAN. You say that you did not go to see Mr. Rice with reference to anybody connected with this question before the committee?

Mr. BUTTZ. Yes. I did not say had no connection. I went to see him to ascertain if he remembered a certain thing that I was going to ask him.

The CHAIRMAN. Will you state what that certain thing was?

Mr. BUTTZ. It was in connection with what Maj. Harris said.

The CHAIRMAN. In regard to what?

Mr. BUTTZ. In regard to this tariff business.

The CHAIRMAN. What is your recollection with regard to what Maj. Harris said?

Mr. BUTTZ. That he could make $15,000 if this bill were defeated.

The CHAIRMAN. That Maj. Harris said?

Mr. BUTTZ. Yes.

The CHAIRMAN. You wanted to ask Mr. Rice about that?

Mr. BUTTZ. Yes. He was acquainted with Maj. Harris and acquainted with me, and I wanted to know if he knew.

The CHAIRMAN. Will you tell the committee the special thing that you wanted Mr. Rice to tell you?

Mr. BUTTZ. Whether he heard Maj. Harris say that he could make $15,000 if the bill were defeated.

The CHAIRMAN. Had you ever heard Maj. Harris say that?

Mr. BUTTZ. If I did, it was at the time Mr. Holman was in there; I was under the impression that Mr. Holman said it. He denies it; says that he did not say it—that Maj. Harris said it. I always believed that Mr. Holman was the one, but he says he did not say it. I was under

the impression that he was the one who said it to me, talking in Maj. Harris's room.

The CHAIRMAN. Is that the matter you were looking for Mr. Rice about?

Mr. BUTTZ. Yes.

The CHAIRMAN. What was your information?

Mr. BUTTZ. The landlady told me at the room that Mr. Rice had gone to inspect some coal fields in Virginia, and she told me that I could find him in Mr. Jenny's office, a lawyer in Leesburg. I went to Leesburg, and Mr. Jenny had gone to Albemarle County, an adjoining county, with his partner to attend court. I could not see anybody but Mrs. Jenny, and she said that her husband was away, and she would not know whether Mr. Rice was with him or not.

The CHAIRMAN. Had you ever had any conversation with Rice about getting $15,000 in case this tariff bill was beaten?

Mr. BUTTZ. No.

The CHAIRMAN. Never?

Mr. BUTTZ. No.

The CHAIRMAN. Had he ever spoken to you about it?

Mr. BUTTZ. No.

The CHAIRMAN. You said awhile ago, I think, in reply to a question, that Mr. Holman was the person who told you that he could make or get $15,000 if the bill were beaten, and you do not recollect anybody being present but Mr. Rice and Mr. Harris.

Mr. BUTTZ. I do not recollect whether Mr. Rice was present or not. I wanted to see Mr. Rice for that.

Senator DAVIS. You say that Holman denies ever having had any such talk with you?

Mr. BUTTZ. Mr. Holman denies having said it to me.

Senator DAVIS. After that denial you went off to hunt up the other man for confirmation?

Mr. BUTTZ. After Holman denied it, I thought I would hunt up Rice to prove by him that Holman said it in Maj. Harris's room. I did not recollect whether Rice was there or not.

The CHAIRMAN. Did you tell your counsel that you were going there?

Mr. BUTTZ. I told my counsel what I was going to do; told him the whole thing.

The CHAIRMAN. You went to Warrenton to see Mr. Eppa Hunton, jr.; when was that?

Mr. BUTTZ. I do not recollect without looking at those letters. I have the papers with those letters. I recollect the fact of going there.

The CHAIRMAN. There is no dispute about the dates; there is no desire to trap you at all. That was not the object of my question.

Mr. BUTTZ (After examining letter). That is dated the 20th of March.

The CHAIRMAN. Yes.

Mr. BUTTZ. It was some time after that.

The CHAIRMAN. That you went there?

Mr. BUTTZ. Yes. Right in that connection I wish to say that I see by the newspapers, one of them, that Eppa Hunton, jr., kicked me out of the house. I would like to say that Mr. Eppa Hunton treated me like a gentleman. I was there an hour. He came to the door and bade me good-bye. Two or three hours before the train left I thought of my Land Office matter, that he might assist me, and I went back to his house, rang the door bell. The servant said he was asleep, and I

left my card. If he had kicked me out, I do not think I would have gone back.

The CHAIRMAN. Mr. Hunton did not say that, or anything like it. You went to see Mr. Hunton and speak to him about the matter mentioned in that letter, the business before the Land Office?

Mr. BUTTZ. Yes.

The CHAIRMAN. And he declined to have anything to do with it. I think you said in your examination on Monday that you drifted into a general conversation.

Mr. BUTTZ. General conversation. We had nothing else but general conversation.

The CHAIRMAN. Let me ask you if, in that general conversation, you offered him, or said he could receive, $25,000 if he would present an argument, with which you would furnish him, to his father to defeat the tariff bill?

Mr. BUTTZ. Not in that sense. I have no doubt I said that these parties would give a large fee.

The CHAIRMAN. Did you tell him that you would give him $25,000 if he would present an argument to his father to vote against the bill?

Mr. BUTTZ. Not that I would give him $25,000.

The CHAIRMAN. Did you say that anybody else would?

Mr. BUTTZ. I have no doubt that I said to Eppa Hunton that they would pay a large sum. It was general talk.

Senator DAVIS. Did you at that interview offer to furnish Mr. Hunton an argument to be used on the tariff bill?

Mr. BUTTZ. Not at all; I talked against the bill.

Senator DAVIS. Did you at that conversation say that young Hunton could or would receive from any source any sum of money contingent upon his voting against the tariff bill?

Mr. BUTTZ. No.

The CHAIRMAN. You never did?

Mr. BUTTZ. I have no doubt I have said that anybody could get a fee if they would bring any influence to bear. But as to saying he could get a fee if his father voted against it, he misunderstood me entirely; I said nothing of the kind.

The CHAIRMAN. Did you mention any specific sum?

Mr. BUTTZ. I may have said $25,000, $50,000, $75,000, or $100,000. We talked about different things, talked an hour there.

The CHAIRMAN. But you never made a specific offer to him on your behalf or on behalf of anybody else if he would present that argument to his father and convince him that he should vote against the bill; you never said he would receive $25,000 or any other amount for that?

Mr. BUTTZ. No; never did. He may have understood it differently from what I did. I intended to make no such offer. I had no authority to do so, and I do not see why he should understand it that way.

The CHAIRMAN. Had you had the conversation with Mr. Holman when you went to see Mr. Hunton, in regard to the $150,000?

Mr. BUTTZ. I do not know the date; I do not recollect. I can not tell from that letter of introduction the date I went down there. I would have to go and look at the hotel register at Warrenton, which will show. I took my dinner at the hotel.

The CHAIRMAN. You say that the conversation with Mr. Kyle in which Mr. Kyle refers to $15,000 you offered to pay him was a mistake; that you only referred to $15,000 that this attorney would receive?

Mr. BUTTZ. No; that he could make.

The CHAIRMAN. If the bill was beaten?

Mr. BUTTZ. If the bill was beaten.

The CHAIRMAN. Now, you say, you may have told him that they would give $25,000, or some other large sum, if the bill was beaten—before that had anybody talked to you of their being able to make $25,000 if the bill was beaten?

Mr. BUTTZ. No; all I have is the newspaper talk—that large amounts of money were used or being used.

The CHAIRMAN. Where did you go when you went to Warrenton; when did you arrive there?

Mr. BUTTZ. I left here on a Sunday morning and when I arrived there I went to the hotel, registered, and took dinner—early dinner.

The CHAIRMAN. In what name did you register?

Mr. BUTTZ. Charles W. Buttz.

The CHAIRMAN. Where from?

Mr. BUTTZ. I do not know whether it was from Virginia—I used to live there—or Washington, or North Dakota.

The CHAIRMAN. Did you register from Richmond?

Mr. BUTTZ. I do not remember as to that.

The CHAIRMAN. Did you register from Richmond?

Mr. BUTTZ. The register may show so.

The CHAIRMAN. If you so registered, why did you register from Richmond?

Mr. BUTTZ. There would be no reason—a stranger going to Warrenton. I do not remember that I did.

The CHAIRMAN. You say you may have done so. Why did you do so?

Mr. BUTTZ. I do not know that I could give any reason.

The CHAIRMAN. You went immediately from Washington?

Mr. BUTTZ. I went immediately from Washington.

The CHAIRMAN. How long have you been in Washington?

Mr. BUTTZ. Since the commencement of Congress.

The CHAIRMAN. Since last December?

Mr. BUTTZ. Yes.

The CHAIRMAN. How long since you have been in Richmond?

Mr. BUTTZ. A good many years—1869 or 1870.

The CHAIRMAN. Not since 1870?

Mr. BUTTZ. No.

The CHAIRMAN. Can you give any reason why you did register from Richmond, if you did register from Richmond?

Mr. BUTTZ. No; I can not now imagine.

The CHAIRMAN. You say you do not know whether you did or not?

Mr. BUTTZ. I do not remember. I may have done so.

The CHAIRMAN. You may have done so. Why do you say that if you have not lived there for a quarter of a century?

Mr. BUTTZ. I would not register from Washington.

The CHAIRMAN. That is where you last came from?

Mr. BUTTZ. It was not for the purpose of deceiving Eppa Hunton, because my letter disclosed.

The CHAIRMAN. Why did you register from Richmond?

Mr. BUTTZ. Because I did not reside in Washington.

The CHAIRMAN. Why did you not register from North Dakota?

Mr. BUTTZ. I suppose I could have registered from North Dakota. It does not make any difference where I registered from.

The CHAIRMAN. That depends. Why did you not register from North Dakota or Washington?

Mr. BUTTZ. I lived at Norfolk.

The CHAIRMAN. Why did you not register from there, if you lived at Norfolk since you lived at Richmond?

Mr. BUTTZ. No; Richmond last.

The CHAIRMAN. How long were you in Richmond?

Mr. BUTTZ. I do not recollect.

The CHAIRMAN. A month?

Mr. BUTTZ. I do not recollect how long I lived in Richmond.

The CHAIRMAN. Did you live there a month?

Mr. BUTTZ. I have stopped in Richmond off and on for four or five years. My permanent residence was in Norfolk.

The CHAIRMAN. You did not register at Warrenton as from Norfolk?

Mr. BUTTZ. No.

The CHAIRMAN. You say you might have registered from Richmond. Something must have operated on your mind to cause you to do that. Why did you register from Richmond?

Mr. BUTTZ. I do not know that I did. I have no reason to assign for it.

The CHAIRMAN. You can assign no reason at all?

Mr. BUTTZ. I can not think of any.

The CHAIRMAN. You say you have not lived in Richmond since 1870?

Mr. BUTTZ. No.

The CHAIRMAN. And you can not tell whether you lived there a month continuously?

Mr. BUTTZ. No.

The CHAIRMAN. Did you ever live there a week?

Mr. BUTTZ. Yes; off and on a longer time than that.

The CHAIRMAN. Putting them all together?

Mr. BUTTZ. No.

Senator LINDSAY. When you were talking to Mr. Kyle, and attempting to find out how he would vote, did you believe there was $1,000 in sight for you?

Mr. BUTTZ. No; I never thought it would come from Holman. He never had a cent. He lived on borrowed money rather than anything else. That is why I said you would laugh.

Senator LINDSAY. You never did talk to Senator Kyle until after that man said if the bill was beaten he could make $15,000?

Mr. BUTTZ. Yes; I had. I talked to Kyle the very first time I went to see him. That was my hobby. There was a stress brought on us farmers out there, and I spoke to him the first time I went after him.

The CHAIRMAN. Why did you mention to Senator Kyle that you could make $1,000 and he $14,000 if you did not believe this man?

Mr. BUTTZ. You certainly do not comprehend what I meant. I stated to Mr. Kyle, a laughable matter, that there was $15,000 to be made to find out how he would vote; that is, if the bill was beaten, and the man would give me $1,000 if I could find out how he would vote.

The CHAIRMAN. You say you did not consider that offer to be made by a responsible person, and attached no weight to it?

Mr. BUTTZ. No weight.

The CHAIRMAN. I ask you why you thought it of sufficient importance to mention it to Mr. Kyle?

Mr. BUTTZ. More in a joking way, to show how ridiculous these things were.

The CHAIRMAN. What ridiculous things?

Mr. BUTTZ. The talk that there was $1,000 to find out how he would vote.

The CHAIRMAN. You told him that you were offered $1,000 to find out how he would vote?

Mr. BUTTZ. Yes.

The CHAIRMAN. And the person who made the offer to you would make $14,000?

Mr. BUTTZ. Yes.

Senator DAVIS. Did you tell Senator Kyle that this was a laughable matter?

Mr. BUTTZ. I do not believe I did.

The CHAIRMAN. And you did not believe it when you heard it?

Mr. BUTTZ. Certainly not.

The CHAIRMAN. You stated that you believed Mr. Holman to be a man of fair standing and character?

Mr. BUTTZ. Yes.

The CHAIRMAN. And yet you did not believe what he said?

Mr. BUTTZ. I did not believe that he could get $1,000; I did not believe that he had it.

The CHAIRMAN. That he could make it?

Mr. BUTTZ. I did not believe it; I do not care whether it was speculating on stock or betting, or both; did not believe that he had the means of making it.

Senator LINDSAY. When you were talking to young Mr. Hunton about these large sums of money that could be utilized for or against the tariff bill, did you believe what you were talking about then?

Mr. BUTTZ. That is, in one sense of the word I did, and in another I did not; just as you do about these charges that are now going around in the newspapers.

Senator LINDSAY. Did you believe that there were large sums of money raised by the high-tariff men and the English people interested in the low tariff?

Mr. BUTTZ. Seriously, I do not believe I did.

Senator LINDSAY. And you do not believe now that the money was raised by either side?

Mr. BUTTZ. That is my judgment. I have talked it to different people.

Senator LINDSAY. And did not believe it?

Mr. BUTTZ. In one sense of the word I did not?

The CHAIRMAN. In which sense of the word?

Mr. BUTTZ. A man is not to believe unless he knows. I had the impression that a man's interest would lead him to raise money to protect his interests; but to believe, I must know.

Senator LINDSAY. You believed that a man interested would raise money to corrupt the Congress of the United States; to influence its action upon a matter upon which he was interested?

Mr. BUTTZ. No; I do not believe the Congress of the United States is corrupt.

Senator LINDSAY. Not that it is corrupt, but that men would raise money to corrupt it?

Mr. BUTTZ. Not necessarily to corrupt, but to raise money to make arguments and speeches. I do not see why you should say corrupt purposes; there are legitimate purposes, as well as corrupt purposes, for which money could be raised.

Senator LINDSAY. Do you believe that it would be legitimate to make $1,000 by finding out how a Senator would vote?

Mr. BUTTZ. If a man is willing to throw his money away that way it would not affect the Senator.

Senator LINDSAY. When you applied to Senator Hunton for a letter of introduction to his son, was that before or after the Holman and Harris matter?

Mr. BUTTZ. I applied to Senator Hunton before Maj. Walker wrote this.

Senator LINDSAY. How long before?

Mr. BUTTZ. I do not know. I came here when Congress met. Maj. Walker gave it to me in March.

Senator LINDSAY. Was not Walker the man who recommended young Hunton to you?

Mr. BUTTZ. I did not know that Senator Hunton had a son.

Senator LINDSAY. It was after Mr. Walker recommended him that you saw the Senator?

Mr. BUTTZ. Yes.

Senator LINDSAY. You had no doubt that if the Senator had given you a letter to his son you would have been able to enlist his son in any business arrangements you might have?

Mr. BUTTZ. I do not know about the business arrangements. I am satisfied if the father had given me a letter the son would have gone into this Land Office matter.

Senator LINDSAY. You thought you would have accomplished more by a letter of introduction from the father?

Mr. BUTTZ. I knew the Senator a number of years. I know him in one sense better than he knows me. I have passed out of his sight. I speak to him when I come to Washington. I was in the Corcoran Building. I did not go down there for that purpose. I went to see Judge Merriman, and I talked with him about it. I had to get a lawyer. All these things come back to me as you are going into details. I think the substance was that I wanted to find some outside lawyer, outside of the district, whom the influence of these corporations would not affect; a man who would go into the Department and not be afraid to make the fight that I wanted him to make. The land lawyers here are afraid to make the fight.

Senator LINDSAY. Would the fight you wanted him to make involve any danger of disbarment?

Mr. BUTTZ. Not at all. I did not care to go into what I believed to be the corporation influence in the Department. Certain attorneys have the routine run there. I can give you my theory as to the opposition I had met with in my contest, and how I have been headed off one way and another.

Senator ALLEN. The name of this lawyer of whom you spoke is Edward E. Holman, 705 G street NW.; residence, 1910 Ninth street NW.

Mr. BUTTZ. Yes; that is the one; that is the man.

Senator ALLEN. About how long have you known this man?

Mr. BUTTZ. I do not know; two or three years, I reckon.

Senator ALLEN. You know a man by the name of Maj. Harris, a lawyer?

Mr. BUTTZ. Maj. Harris lived in the same house I did.

Senator ALLEN. What was Maj. Harris's business?

Mr. BUTTZ. Maj. Harris was a Confederate major, I was told, in the Confederate army.

Senator ALLEN. What was his business?

Mr. BUTTZ. I was going to tell you. He went from Georgia, after the war, to New Jersey and settled in Hoboken. He then settled in Washington. He was here several years, and he had a room in this house.

Senator ALLEN. What was his business?

Mr. BUTTZ. He had no special business, except, I think, claims.
Senator ALLEN. He was a claim agent, was he not?
Mr. BUTTZ. He was a claim agent; yes, sir.
Senator ALLEN. He was what is known in Washington and throughout the country as a lobbyist?
Mr. BUTTZ. I never knew him as a lobbyist.
Senator ALLEN. His business was to visit Senators and influence them in regard to claims?
Mr. BUTTZ. I never knew that.
Senator ALLEN. Did you know a man named Judge Harris?
Mr. BUTTZ. Yes.
Senator ALLEN. Who is Judge Harris?
Mr. BUTTZ. All I know about him is that I was told, since I have been here, that he was an ex-member from Mississippi.
Senator ALLEN. What is his business?
Mr. BUTTZ. A law writer. He goes to the law library and writes.
Senator ALLEN. He is a claim agent, too?
Mr. BUTTZ. I never knew him to do anything, except to write law books.
Senator ALLEN. Does he practice law, or pretend to practice law?
Mr. BUTTZ. I do not know.
Senator ALLEN. How old a man is he?
Mr. BUTTZ. He is an older man than I am.
Senator ALLEN. He has been a lawyer here at this bar?
Mr. BUTTZ. Not that I know of. I only met him the last winter before this.
Senator ALLEN. He is a law author, is he?
Mr. BUTTZ. Yes.
Senator ALLEN. How old is he?
Mr. BUTTZ. I should judge 70.
Senator ALLEN. Is he any relation of Maj. Harris?
Mr. BUTTZ. I think no connection.
Senator ALLEN. Where does he board—keep house?
Mr. BUTTZ. Grant Place.
Senator ALLEN. Some distance from where you board?
Mr. BUTTZ. Yes.
Senator ALLEN. Where do you board?
Mr. BUTTZ. At 719 Eighth street. I do not board; I only have a room there.
Senator ALLEN. Did Maj. Harris board or room there?
Mr. BUTTZ. Maj. Harris was there.
Senator ALLEN. Who is the proprietor of the house?
Mr. BUTTZ. Mrs. Sarah Willis.
Senator ALLEN. She has been keeping it for some months?
Mr. BUTTZ. Ever since I have been there.
Senator ALLEN. You and Maj. Harris and Judge Harris, Mr. Holman, and others were in the habit of meeting very frequently there, were you not?"
Mr. BUTTZ. No.
Senator ALLEN. In Maj. Harris's room and your room?
Mr. BUTTZ. No, no. I would go in there every day, nearly.
Senator ALLEN. Did not a number of you gentlemen frequently play cards there?
Mr. BUTTZ. I have played cards in Maj. Harris's room two or three evenings—not more than twice the whole winter.

Senator ALLEN. It was at one of these times that the conversation came up about the use of money to defeat the tariff bill?

Mr. BUTTZ. It was the talk all winter.

Senator ALLEN. Answer my question.

Mr. BUTTZ. I can not say.

Senator ALLEN. One of those?

Mr. BUTTZ. It was the talk all winter among the men who met in the house. We would see it in the newspapers, and we would talk about it.

Senator ALLEN. The newspapers are open to us; I am not asking about them, but about this conversation at the house. Who was the first person you heard speak of money being used to defeat the tariff bill?

Mr. BUTTZ. I do not recollect who spoke first.

Senator ALLEN. You do have a complete recollection that this man Holman said he could make $15,000 and you could get $1,000 of it if you could find out how Senator Kyle would vote on the tariff bill. How was that?

Mr. BUTTZ. Because that was a distinct time.

Senator ALLEN. In what room was that conversation held?

Mr. BUTTZ. In Maj. Harris's room, openly, in April, between the 1st and 5th, and before he was taken down sick.

Senator ALLEN. Before Maj. Harris was taken down sick had you not heard this conversation?

Mr. BUTTZ. We talked frequently about the tariff. Maj. Harris was bitterly opposed to the tariff, and he was denouncing it all the time.

Senator ALLEN. I asked you if you did not have a talk with Mr. Holman on the subject of money used to defeat the tariff bill.

Mr. BUTTZ. There was general talk.

Senator ALLEN. What did Holman tell you? Use his language as nearly as you can when he expressed a desire to find out how Senator Kyle would vote.

Mr. BUTTZ. I do not remember the exact language, but the general remark was that he could make $15,000 if the tariff bill was beaten; but whether on the stock exchange or how, I do not know.

The CHAIRMAN. He told you that he could make $15,000, and would give you $1,000 if you could ascertain how Senator Kyle would vote on the subject?

Mr. BUTTZ. That was the substance of it.

Senator ALLEN. He did not ask you to ascertain whether Senator Kyle was going to vote against the bill or not?

Mr. BUTTZ. Just find out how he would vote.

Senator ALLEN. And from that fact he could make $15,000?

Mr. BUTTZ. That is the substance.

Senator ALLEN. And for that information on your part he would give you $1,000? There was no other contingency upon which he was to give it to you?

Mr. BUTTZ. The bill was to be beaten.

Senator ALLEN. You were to have $1,000 whenever you ascertained that fact? That is true?

Mr. BUTTZ. That is the substance of it—no, not to have it then; he was only to make this money when the bill was beaten.

Senator ALLEN. But he was to give you $1,000 for your information whenever you found out definitely and reported to him the way in which Senator Kyle was going to vote. Then you were to have your $1,000?

Mr. BUTTZ. No one imagined that he had any money then.

Senator ALLEN. That is what he told you?

Mr. BUTTZ. No; that he would get $15,000 and would give $1,000 to find out.

Senator ALLEN. Do you mean to say that he told you that he would give $1,000 out of the $15,000 if he got it?

Mr. BUTTZ. You did not understand me to say that he would pay $1,000 immediately?

Senator ALLEN. Did you not testify repeatedly that he would give you $1,000 if you found out definitely how Senator Kyle would vote?

Mr. BUTTZ. You understood me wrongly if you understood that way.

Senator ALLEN. Where was he to get this?

Mr. BUTTZ. He did not say. It was general talk—did not say how or where.

Senator ALLEN. Do you mean to say that, upon that idle conversation alone, without believing what Maj. Harris said, without believing he had the money, and without knowing where the money was to come from, you went to Senator Kyle for the purpose of ascertaining how he was going to vote?

Mr. BUTTZ. No; nothing of the kind. I never went to Senator Kyle seriously believing that I would get $1,000. I did go to the Senator.

Senator ALLEN. You did not go to him seriously expecting that you would earn $1,000?

Mr. BUTTZ. No; I only told him what I had been offered?

Senator ALLEN. Why did you tell him?

Mr. BUTTZ. To show how ridiculous folks were talking; what proposition had been made?

Senator ALLEN. You deemed it proper to detail to him this idle conversation?

Mr. BUTTZ. I did not think it was improper.

Senator ALLEN. Did you deem it proper to try to ascertain how he was going to vote on the bill?

Mr. BUTTZ. It was not proper to influence him improperly, but I had a right to offer a legitimate argument.

Senator ALLEN. You have testified that you have a moral right to approach a Senator and lay before him *ex parte* arguments and undertake to influence his vote?

Mr. BUTTZ. Yes; I believe that it is my right to go there and show him that it is against my locality.

Senator ALLEN. And you believe you have a right to go to a Senator's chamber or committee room, wherever he may be, and have a secret conversation with him and seek to influence his vote?

Mr. BUTTZ. I do not know what you mean by secret conversation.

Senator ALLEN. Yes, you do know what I mean by secret conversation. You know I mean it as a conversation distinct from one in the presence of other persons. Now, you swear that you believe you have a right to do that?

Mr. BUTTZ. I do not swear that I have a right to have a secret conversation with a man.

Senator ALLEN. You swear that you have a right to approach a Senator or Member of Congress, and undertake by persuasion to influence his vote or his conduct?

Mr. BUTTZ. Influence his reason; convince him of what would be of most benefit to the country.

Senator ALLEN. Would you think you had a right to approach a judge who had a judicial duty to discharge in the same way?

Mr. BUTTZ. I have a right to go in and make an argument.

Senator ALLEN. That is, before the public. You have a right to go before committees; but do you think you have a right to go to one of these members of Congress and undertake to influence his vote?

Mr. BUTTZ. I would not hesitate to go to you, Senator——

Senator ALLEN. It was upon the strength of what Holman told you that you went to Senator Kyle and his clerk?

Mr. BUTTZ. No; I went to Kyle first.

Senator ALLEN. You went to Senator Kyle's clerk, McFarlane?

Mr. BUTTZ. Yes.

Senator ALLEN. You went to Mr. Kyle's committee room and called this clerk out on three or four occasions?

Mr. BUTTZ. No.

Senator ALLEN. On one or two occasions?

Mr. BUTTZ. Yes.

Senator ALLEN. And wanted to know from him whether the Senator had definitely concluded as to his vote?

Mr. BUTTZ. No.

Senator ALLEN. Did you not on one of those occasions, the last one, say to Mr. McFarlane that you wanted to know what the Senator had determined; that you were going down town to see these people, referring to the persons you were negotiating with. Did you not use language of that kind?

Mr. BUTTZ. I certainly was not negotiating with anybody, and could not use that language.

Senator ALLEN. Do you swear you did not use that language?

Mr. BUTTZ. Yes.

Senator ALLEN. Did you not say to Mr. Kyle's clerk that the money was in this city and in a bank?

Mr. BUTTZ. No.

Senator ALLEN. Did you not also say to him that he could trust you; that the money would be put in your hands in a sealed envelope, marked, and the money would be passed over to him?

Mr. BUTTZ. No; nothing of that kind.

Senator ALLEN. You did not use words to that effect?

Mr. BUTTZ. No.

Senator ALLEN. What is the nature of Mr. Holman's practice, speaking generally; what branch of practice is he engaged in?

Mr. BUTTZ. I know he has been before the Chilian commission.

Senator ALLEN. Do you know whether he is representing any special interest in the city or not?

Mr. BUTTZ. No; I do not.

Senator ALLEN. Do you know how long he has been practicing law here?

Mr. BUTTZ. I think for many years, to hear him talk.

Senator ALLEN. How old a man is he?

Mr. BUTTZ. I suppose 65.

Senator ALLEN. Did you learn from these gentlemen and others you were associated with at that time that there was any likelihood of money being raised to defeat the tariff bill?

Mr. BUTTZ. Only what we got on to from the newspapers.

Senator ALLEN. Did not you men attempt to originate a scheme among yourselves to ascertain how certain men would vote for the purpose of speculating upon those votes?

Mr. BUTTZ. No; nothing of that kind.

Senator ALLEN. When you first went to see young Hunton at War

renton, you first talked with him about employing him as an attorney in a land matter pending in the Interior Department?

Mr. BUTTZ. Yes.

Senator ALLEN. When you found that he could not be employed, did you not use this language, "That is not what I wanted to see you about, anyway; I wanted to talk with you about the tariff bill?"

Mr. BUTTZ. No.

Senator ALLEN. You did not use that language, or language of that purport?

Mr. BUTTZ. No.

SWORN TESTIMONY OF MR. EDWARD E. HOLMAN.

The CHAIRMAN. State your name, age, residence, and occupation.

Mr. HOLMAN. Edward E. Holman; 48; Washington, D. C., and I am an attorney at law.

The CHAIRMAN. How long have you lived in Washington?

Mr. HOLMAN. Off and on since about 1872.

The CHAIRMAN. How long have you been a member of the bar?

Mr. HOLMAN. May, 1875—of the supreme court of the District of Columbia.

The CHAIRMAN. Prior to being admitted to the bar, what was your occupation?

Mr. HOLMAN. Contractor. I was at Holly Springs, Miss.

The CHAIRMAN. Is your home in Mississippi?

Mr. HOLMAN. Yes.

The CHAIRMAN. Do you know Maj. C. W. Buttz?

Mr. HOLMAN. Yes; I have known him three years, I guess. I would meet him here in Congress when it was in session, off and on. Having some matters pending, we met.

The CHAIRMAN. Did you ever have any talk with Maj. Buttz during the present session of Congress in regard to the tariff bill?

Mr. HOLMAN. No; had no opportunity to talk with him. I had a talk direct with Elec Harris, at his house, and Maj. Buttz was present.

The CHAIRMAN. Did you ever say to Mr. Buttz, or in his presence, that you could receive or could make $15,000 if the tariff bill were beaten?

Mr. HOLMAN. No.

The CHAIRMAN. Or that you would give him $1,000 to find out how Senator Kyle would vote?

Mr. HOLMAN. No; never said such a thing. I can tell you how it happened. My office is on the corner of Seventh and G streets; I reside on Ninth street NW., and every morning, walking down Ninth street, I would stop at Maj. Harris'. The major was sick at the time. I would stop to see how he was getting along. I passed the door about the first week in April. I went in to see how the major was. Maj. Buttz was sitting there, and they were talking tariff whenever I saw them. They seemed to be wild on the tariff. Elec was opposed to Cleveland. He said, "I can make $25,000 or $30,000, if the tariff bill is defeated." Turning around he said, "Major, I will give you $1,000 if you find out how those Populists are going to vote." I laughed, thinking it was all idle talk. I said, "How do you think it is going?" He said, "The vote will be so close that I do not know how it is going, but the Populists have the balance of power." That is all I heard the major say.

Senator LINDSAY. Which major was that?

Mr. HOLMAN. Maj. Harris. He was a very nice man, and a Democrat. He is dead now. He died on the 11th of May, and was buried on the 13th. He was a lawyer.

The CHAIRMAN. What did Maj. Buttz say?

Mr. HOLMAN. I did not hear Maj. Buttz make any remark. I was going away. That was the first week in April. I was sick myself from the 25th of January to March; my hearing was defective. I never said anything of that kind to Maj. Buttz. I have better sense than that. He is very much mistaken if he said I did.

The CHAIRMAN. Did he see you Monday evening?

Mr. HOLMAN. Yes; saw me twice Monday evening. He asked if I remembered the conversation at Maj. Harris's. I told him what I knew—that Maj. Harris himself said that he could make so much money if the tariff bill were defeated; that he did not care how it would go if he could find out how the Populists would vote. I laughed and said: "How do you expect to do that?" He said: "They have the balance of power, and can cast their vote either way and carry it." That is all I know about it.

This conversation occurred the first week in April; I can not make it more specific than that; I paid no attention to it; I did not give it a second thought. I know it was the first week in April because I was sick with the grip and had just got out of bed. I dropped into see Maj. Harris about a matter he was assisting me in, and he told me he could not do anything because of the tariff bill.

The CHAIRMAN. Did you ever meet Buttz and have any conversation on the tariff question?

Mr. HOLMAN. Not except that time; that is all.

Senator ALLEN. Do you know whether Maj. Buttz had been away from the city before that or not?

Mr. HOLMAN. No.

Senator ALLEN. Do you remember his being absent one Sabbath?

Mr. HOLMAN. I know he went away soon after Maj. Harris's death, and I only saw him once. Major Harris died on the 11th of April.

Senator ALLEN. Do you remember the Sabbath, the 1st of April, Maj. Buttz being away?

Mr. HOLMAN. No; I can not tell you anything about it.

Senator ALLEN. You are satisfied this conversation occurred after the 2d of April, are you?

Mr. HOLMAN. I guess it must have been after that, the 3d or 4th of April; I can not fix the date.

Senator ALLEN. What was Maj. Harris's business?

Mr. HOLMAN. An attorney.

Senator ALLEN. You are an attorney?

Mr. HOLMAN. Yes.

Senator ALLEN. Is Maj. Buttz an attorney?

Mr. HOLMAN. Yes.

Senator ALLEN. Maj. Walker, an attorney?

Mr. HOLMAN. I do not know Maj. Walker.

Senator ALLEN. Your business was in connection with legislation in Congress and before the Departments.

Mr. HOLMAN. My business was a judgment in the Court of Claims, and I wanted to get the money appropriated.

Senator ALLEN. That is a part of your business as an attorney, and so with these other men—legislation from time to time?

Mr. HOLMAN. Yes; I would go to the court and get a judgment, and go to Congress to get an appropriation to pay it.

Senator ALLEN. You are not in the criminal practice?

Mr. BUTTZ. No. My business is before the Court of Claims and before Congress.

Senator ALLEN. Your business is to have bills introduced and their passage secured?

Mr. HOLMAN. Go before the committees and try to have them report them. The business of Maj. Buttz is to appear before committees, and it was the business of Maj. Harris.

Senator ALLEN. Did Maj. Harris say where he was going to get this money?

Mr. HOLMAN. No. If he got it somebody else would have to furnish it.

Senator ALLEN. Do you know whether there was any organized interests behind him?

Mr. HOLMAN. He said: "I have that thing all right, and I do not care how it goes. I want to know how the Populists will go. If it is defeated I can make"—so much money.

Senator ALLEN. Maj. Harris was a Democrat?

Mr. HOLMAN. Yes. I am on the fence.

Senator ALLEN. Do you know Judge Harris?

Mr. HOLMAN. Yes. He is no relative of Maj. Harris. He is an ex-member of Congress and ex-attorney-general of Mississippi. He is down in the supreme court getting the laws, collating them. He did practice; very seldom I hear of his name in the court. He was a justice of the peace.

Senator ALLEN. He has some legislation pending here?

Mr. HOLMAN. Some matters.

Senator ALLEN. You are all the same way?

Mr. HOLMAN. No; I have matters in the Court of Claims.

Senator ALLEN. The two—Harris and Maj. Buttz—are what are known throughout the country as lobbyists?

Mr. HOLMAN. I can not say that, because Maj. Buttz practiced around the Land Office and other places.

Senator ALLEN. You know that all these men who hang around Congress for special legislation are classified as lobbyists?

Mr. HOLMAN. If they have no attorneys in the case.

Senator ALLEN. I do not care whether they are attorneys or not; they are looked upon in that light.

Mr. HOLMAN. I do not know; I have been here for some time.

Senator ALLEN. You have no thought in your own mind that either one of these men would be likely to represent the sugar trust, or any other trust, to defeat legislation?

Mr. HOLMAN. I do not know about Maj. Buttz. If there were money in it he would take it.

Senator ALLEN. Would you?

Mr. HOLMAN. No; I practice as an attorney. If I could not make money legitimately I would go back on the farm.

Senator LINDSAY. I do not understand that you include Judge Harris in that class?

Mr. HOLMAN. No.

Senator ALLEN. I am speaking of Maj. Harris and Buttz.

Mr. HOLMAN. I do not know much about Buttz. I suppose I have not seen him more than once or twice in two or three years.

Senator ALLEN. You never made any such proposition as attributed to you by Mr. Buttz?

Mr. HOLMAN. No.

Senator ALLEN. Did you at that time represent any interest that was offering money to defeat the tariff bill?

Mr. HOLMAN. No.

Senator ALLEN. Do you know of any organized attempt to defeat the tariff bill?

Mr. HOLMAN. No.

Senator ALLEN. You looked upon Maj. Harris's remark as a Col. Sellers expression?

Mr. HOLMAN. Just about.

[This closes the testimony in respect to the first branch of the inquiry growing out of the publication in the New York Sun "that bribes have been offered to certain Senators to induce them to vote against the pending tariff bill," as stated in the first paragraph of the preamble to the resolution of May 17, 1894.]

Adjourned until to-morrow, the 24th instant, at 10 o'clock a. m.

WASHINGTON, D. C., *May 24, 1894.*

The committee met pursuant to adjournment.

Present: The chairman (Senator Gray), Senators Lindsay, Davis, Lodge, and Allen.

The chairman announced that the committee had agreed to incorporate in the record the entire article, signed "Holland," published in the Philadelphia Press Monday morning, May 14, 1894.

The article is as follows:

TOLD AT LAST.

The full story of the dexterous work of the sugar trust—Cleveland et al. to the bar—Shameful pledges made before the election now on the verge of being fulfilled—Pure barter in legislation—Hundreds of thousands of dollars given in the campaign of 1892 deftly wove the net about the administration—Trust now holds the whip—Schedules submitted to Havemeyer for approval before being reported—Speculative Senators enrich themselves—A national disgrace.

[From the regular correspondent of the Philadelphia Press.]

NEW YORK, *May 13.*

When Senator Brice predicted that the Senate would take a vote upon the tariff bill sometime in the first week in June he might have also said that upon that day there would be ended one of the strangest, most scandalous, and yet instructive chapters in American political history. He would have been accurate had he said that this chapter was written when the amended sugar schedule and, in fact, the so-called Gorman amended bill was published and laid before the Senate in the first week in May. For, whatever may be the action of the Senate upon this or any other tariff measure, that strange chapter which reveals a great party and the leaders of that party completely dominated by a handful of men who control one of the chief industries of the United States was ended when the so-called Gorman bill was caucused. Nearly two years ago it began to be written. The first lines were penned when representatives of this colossal monopoly, representatives of Mr. Cleveland—probably Mr. Cleveland himself—in the summer of 1892, soon after Mr. Cleveland's nomination, came into agreement as to the disposition of the administration, if Cleveland were elected, and the party toward the sugar-refining industry of the United States. The chapter was continued during the campaign, and then there was a hiatus until Mr. Wilson began with his Ways and Means Committee the work of framing a tariff bill. From that day until the 5th of May those things were done in rapid, dramatic, and sensational succession, which have made it possible to complete the chapter so that it can now be written in detail and made public.

It was not possible to tell fully the relations of what is called the sugar trust to the administration, the Democratic politicians, the Cabinet, and the Senate until after this so-called Gorman bill had been made public. Bits of the story have occasionally appeared in the public prints, and the newspapers have been full of sketches and reports suggesting first the crafty and then the audacious approach of the representatives of this industry upon the men whom the Democratic party had placed in power. But many of the most important and suggestive incidents have not been made known to the public, nor has it been possible to arrange them in proper order so that the sequence of events, the operation of cause and effect, could be clearly, logically, although, in part, inferentially set forth. It is possible now to do this, and as many of the events, most of the inspiring causes which led to the results were developed in New York City, the story that is to be told is indeed a tale of two cities, one the commercial and the other the political capital of the nation.

THE TRUST WAS PREPARED.

The public did not know until after the election of 1892 that the corporation which is commonly known as the sugar trust had ever taken any active interest in politics. Like every great corporation which has reason to apprehend or desire legislation, it had been so made up that men claiming to be Democrats and others claiming to be Republicans were prominent in its management. It was precisely in that condition which Jay Gould once confessed himself always to be in. It had Republican influence for Republican service, and it had Democratic anchors cast

out to hold the Democratic party. On the whole, however, the sugar trust was a Democratic association. The two Havemeyers were always Democrats. Cord Meyer, jr., was not only a Democrat by inclination, but had been a practical politician. He was long associated with the Cleveland faction, but when Mr. Cleveland betrayed that faction into the hands of Tammany Hall Mr. Meyer, instead of resenting, accepted a Tammany nomination for secretary of the State of New York.

John E. Searles, the craftiest, smoothest, most diplomatic, and men have said the oiliest member of this association, an energetic and enthusiastic Sunday school superintendent, a man with a wonderful capacity for concealing purpose, not by silence, but by speech, had been of vague Republican association. It was through Mr. Searles that the leaders of the Republican campaign were able to obtain some financial aid from the sugar trust. Mr. E. C. Benedict was not actively engaged in the management of the trust, although his interests were with it to a considerable extent, and it has been the belief that he has been one of those who profited greatly by its opportunities for speculation.

In the summer of 1892, after Mr. Cleveland's nomination, Mr. Benedict, Mr. Havemeyer, Mr. Cleveland, and one or two others, had a conversation, either in Greenwich or upon Mr. Benedict's yacht, in which the sugar interests were earnestly discussed, and those interested as affected by the situation in the Hawaiian Islands particularly analyzed. There is no doubt now that at this meeting there were planted the seeds of the policy developed by Mr. Cleveland after he became President toward the Hawaiian Islands. At that time and subsequently there came about understandings between Mr. Cleveland and these friends of his which, if they could ever be fully exposed, would explain completely that miserable and strangely unreasonable Hawaiian incident.

It is known that at Lakewood before Mr. Cleveland became President and after the successful revolution in Hawaii had been made known to President Harrison's administration, a meeting took place at which the determination was reached to overthrow the revolutionists and restore the Queen. Mr. Cleveland may or may not have been knowingly a party to the influences of the sugar trust then brought to bear upon him. Whether he did it or not he responded to them, and he went to Washington determined to appoint Mr. Blount his special commissioner; he went to Washington with a purpose which compelled his Secretary of State to act merely as a clerk engaged in the recording of that purpose. It was he who announced to Gresham the determination to appoint Blount, he who instructed his Secretary of State to draft the letter, and Gresham has patiently, uncomplainingly, but with a sense of humiliation, borne such reproaches as have been heaped upon him as the supposed instigator of this policy. It was instigated by the sugar people, accepted by Mr. Cleveland at Lakewood, and it was this acceptance which caused him to cling with such desperate obstinacy to the policy after it had been made apparent that the American people repudiated it.

We do not know what purposes the sugar people had with reference to Hawaii. We do know that these sweetened magnates were desperately opposed to the establishment of the Provisional Government and the annexation of the Hawaiian Islands to the United States, and we do know that they held the administration with a stubbornness and relentlessness that was humiliating even to Cleveland himself to that policy which would make for their interests. This incident of itself would seem to have no bearing upon the relations of the sugar people to Congress with respect to the sugar tariff. But when other things are set forth later in this story, then the importance of this incident can not fail to be most impressively understood.

It ought to be said just here that so greatly had Mr. Cleveland changed in the estimation of men who once looked upon him as the ideal representative of whatever was lofty, noble, and of high integrity in public life, that it is now impossible to persuade any of those who are familiar with the operations of the sugar trust to believe that Mr. Cleveland, through his friends and before he became President, was not able to make profitable investments in the securities of that corporation. But even if he did so, there is no accusation or belief that any personal interests he might have had in that corporation were the influencing motives toward those things that have happened of late. These motives, so far as he and his administration were concerned, were purely political, really partisan, and not pecuniary.

THE TRUST AND THE ELECTION.

We come now to the relation of the sugar trust to the national campaign of 1892. It made subscriptions to both parties, and the Republican national committee was rejoiced when, upon a day when money was needed, it received a subscription from men identified with the trust, really from the trust itself, of $40,000. It was pre-

sumed that this corporation, as so many others had been in the habit of doing, had divided its contribution equally between the representatives of the two parties.

There came a time in the management of the Democratic campaign when money was imperatively needed. The sugar trust had already subscribed something, but as we look back upon the events of that campaign it is impossible not to be convinced that the greater subscription of the trust was held back until there could be a satisfactory understanding with the influential Democrats who were managing the campaign. In the stress which the need for money had occasioned these managers were willing to pledge almost anything for cash. Some of the pledges were inferential, as in the Van Alen case; some of them explicit. Whether Mr. Whitney, Mr. Gorman, or Mr. Brice met the representatives of the sugar trust, or whether it was some other agent, must not now be said. Whitney was intimate with them through close business relations; Brice was associated with them through friendly alliances and particularly through his friend, H. L. Terrell, of Cleveland, "Brice's Terrell," as they called him; and Mr. Gorman was brought into close association with them and by another agency which it may be well at present not to reveal.

At all events the appeal was made to these men for money, and upon the distinct pledge, as will be shown later on, that there would be no legislation at the hands of the Democracy which should be antagonistic to the interests of the sugar people, and if there were any legislation at all it should be friendly, the sugar trust went deep into its capacious treasury. The subscriptions may have been given as individual contributions, but such gift was a pure fiction if it was made in that way. It was a sugar-trust subscription to the national campaign committee in return for pledges which were afterwards insistently demanded to be redeemed.

The subscription was the magnificent sum of $500,000. And at another place in this article there will be reported a distinct and emphatic admission of this subscription and pledge from one of the highest officers of the Government of the United States.

A part of this money bought Colorado for the Populists, a part of it brought about Populist alliances elsewhere, a part of it was used in Illinois, and there is no doubt that this great fortune was mainly instrumental in securing those alliances and influencing those purchasable or discontented elements whose action upon election day caused such astounding results in the West. Of course the party leaders felt under the highest obligations to these men of the sugar trust. Mr. Cleveland could not avoid acknowledging the mighty debt which the party owed and which he himself owed to these men. He acknowledged it in private conversation before he went to Washington, to the amazement of some of his reform club friends, declaring that he believed that there ought to be a duty upon sugar, and that the great refining interests of this country ought not to be imperiled by any tariff legislation.

The sugar trust believed that the pledges would be kept, and although many other manufacturing interests in the United States were alarmed by the reports of the purpose of the Ways and Means Committee of the House to bring in a tariff bill revolutionizing the policy of the Government yet the managers of the sugar trust seemed to be strangely indifferent to the Ways and Means Committee and to what it might propose to do. When one of these gentlemen was asked if he was not afraid the committee might admit all sugar free, raw and refined, he replied: "We don't care what the House does. We own the Senate and we control the people at the other end of the avenue. No bill will become a law which will threaten our business."

A PIECE OF STRATEGY.

The appearance of representatives of the sugar people in Washington at the time the bill was under consideration both in committee and in the House was a mere piece of business strategy. There was no expectation that the House could be controlled. The consultations held in this city resulted in the adoption of a policy of gentle persuasion. The sugar people were to be represented in Washington just as other manufacturing interests were to be represented, and there would, of course, have been no outbreaks of indignation had not the House gone even further than was expected it would do and decided upon a policy which Mr. Havemeyer said would put an end to sugar-making and sugar-growing in the United States. He meant, of course, sugar-making by the trust.

It was his indignation which followed this revelation of the temper of the House which caused Mr. Havemeyer, for the first time in his life, to put an end to the silence which has always been characteristic of him and to speak with an angry wail and for publication. It was then that he said: "I have always been a Democrat, but if this is Democracy I am done with it." It was then that he intimated that there had been gross breaches of good faith, and those who know how almost uncontrollable Mr. Havemeyer is when he permits passion to get the better of him, have since wondered that he did not, being forgetful of himself, declare that the

Democratic leaders had made pledges that the sugar industry was not to be harmed and were now permitting those pledges to be violated.

After this burst of passion the active, aggressive, defiant campaign of the sugar trust began, and it began not, as many have supposed, at the Capitol end of Pennsylvania avenue, but at the White House end. When the bill reached the Senate, the representatives of the trust—in fact, the trust itself—set up its citadel in Washington, with a base of supplies well established in New York. One of the leading members of the corporation began to visit Secretary Lamont. He took to that young politician the story of the subscription of the sugar trust, its service in the campaign to the party, reminded him that but for its aid there might not have been a Democratic administration in Washington, and insisted that the pledges made then should be redeemed so far as the administration itself could bring it about.

That member of the trust must have received early information of the purposes of the White House end of the avenue, for he came back to New York while the bill was still pending in the mysterious chamber of which Senators Vest, Jones, and Mills alone had the key, and he reported that there was no longer occasion for alarm, that the administration would see to it that Democratic campaign pledges to the sugar trust were not repudiated, and that there would be either no tariff bill at all, or else one with which the trust could find no serious fault. From the time of that announcement here until this day there has never been any doubt among well-informed men that the Wilson bill was dead and that whatever might happen the pledges of the Democratic leaders to the sugar trust were to be redeemed.

The pressure upon the west end of Pennsylvania avenue was not confined to a single member of the administration, Mr. Lamont; it touched every member of the Cabinet with one exception, and it, of course, reached Mr. Cleveland, finding him not reluctant. The trust sent Senator Brice himself to the President. He found that Mr. Cleveland was not irresponsive, but cordial and earnest in his response to a suggestion.

Mr. Cleveland took, in that interview, nothing but the political and partisan view. He did not particularize, of course, the sugar trust, but he expressed annoyance over the tendency in the Senate, dissatisfaction with the Wilson bill, admitted that mistakes were being made and pledges violated, and spoke of the loss of support to the Democratic party which would be occasioned by the passage of such a bill as the subcommittee of the Senate were reported to be considering. There were other evidences that this purely political and partisan pressure was being brought to bear. Senator McPherson revealed it. It has not been told hitherto how he, upon one occasion in the presence of the Democratic members of the Finance Committee, stormed and raved, going almost into a frenzy of passion, intimating that the party was prepared to stab the men who saved it, and at last, in the fury of his indignation, turned and left the room.

AN EXTRAORDINARY INCIDENT.

But the highest, the most emphatic and sufficient indication that the administration was bound to maintain these campaign pledges and to protect the men who had given half a million dollars, was furnished by an extraordinary and unexpected incident that happened not long after the Wilson bill went to the Senate. Senator Brice had represented to the President that these 3 trans-Mississippi Senators, who had charge of the bill, were determined to make sugar of all sorts absolutely free. Meyer and Croker had represented the same thing to Dan Lamont. Whitney and Benedict indirectly approached the administration protesting, and at last the administration determined to act.

Upon one occasion, some time in February, when the Finance Committee, or the Democratic members of it, were in perhaps informal session, there came into the room, unexpectedly to all those present, excepting two members, none other than the Secretary of the Treasury, Mr. Carlisle. His going there at that time has never been reported until this writing of it. He went secretly and came away secretly. His visit was supposed to be a confidential one. It was a confidence not imposed upon one member of that committee, and, therefore, it is possible now to make report of what Mr. Carlisle said. They looked upon him as speaking, not so much for Mr. Carlisle, as for the administration. He did not say that he came from the President, but when he had finished making his astonishing statement, not one of those who heard him doubted that he had come from the President and was echoing the President's wishes, and giving emphasis to them by an earnest, and for him, excited manner. What he said is quoted from remembrance, but it is substantially accurate, as it was reported by one who heard it. He said:

"Gentlemen, there is one thing that I am bound to say to you as earnestly and impressively as I can do it, and I speak to you as a Democrat to Democrats. No party or the representatives of no party can afford to ignore honorable obliga-

tions. I want to say to you that there seems to be danger that this is going to be done. Gentlemen associated with the sugar-refining interests (I may tell you what perhaps you do not know) subscribed to the campaign fund of the Democratic party in 1892 a very large sum of money. They contributed several hundred thousand dollars and at a time when money was urgently needed. I tell you that it would be wrong, it would be infamous, after having accepted that important contribution, given at a time when it was imperatively needed, for the Democratic party now to turn around and strike down the men who gave it. It must not be done. I trust that you will prepare an amendment to the bill which will be reasonable and in some measure satisfactory to these interests."

That, in substance, was the plea of Secretary Carlisle to the members of the Finance Committee that they respect the obligations entered into by the national campaign committee and the personal representatives of Mr. Cleveland in 1892. It was a plea powerfully put. Mr. Carlisle said but little more; he had said enough. He turned and left the committee, going away with that secrecy with which he came, but before he did so he signified his willingness himself to prepare an amendment which he thought would be fair to the Government, and yet be just to the sugar interests.

That very thing he did not long after. The chairman of the Finance Committee received and showed to certain favored friends the draft of an amendment in Secretary Carlisle's own handwriting to the sugar schedule, and that draft is in Mr. Voorhees's possession to this day, unless he has destroyed it. Secretary Carlisle had scratched out from the printed schedule the provisions as originally made and by interlineation had inserted the following words: "On all sugars not above No. 16, Dutch standard, and on all." After the word "all" the printed form remained in which mention was made of other sugars, and then this interlineation, "Instead of one-eighth of 1 per cent 45 per cent ad valorem."

There is also upon the blank space at the bottom of the printed sheet, in Mr. Carlisle's handwriting, a clause providing that nothing contained in the bill shall be construed as affecting the Hawaiian reciprocity treaty. So the administration is on record as favoring even a higher rate of protection than was afforded by the so-called Gorman bill. This speech of Secretary Carlisle's is sufficient proof of statements made earlier in this article that the sugar trust contributed $500,000 to the Democratic campaign fund, receiving in return a pledge that no measure should be allowed to pass Congress which endangered the sugar interests.

Just here the other political influences which have accomplished considerable in the way of securing favor for the sugar trust schedule ought to be spoken of. The Democratic party is not hopeful of carrying the next House of Representatives. Its purpose is to concentrate its efforts upon legislatures in the poorer States of the West so that its control of the Senate may be maintained, or at least the control of the Republicans prevented. It has been represented to Senators that if there be kindly consideration shown to the sugar trust, gentlemen connected with that corporation will see to it that sufficient money is subscribed to carry the legislatures in certain States so that the Democracy may maintain or secure representation from them. This pledge has been given and accepted, subject to the action of the Democratic Senators on the sugar tariff, and while it has not been a conspicuous influence in the Senate it has been a considerable one, and may account hereafter for some of the votes which Senators from close States in the far West which are now either wholly or in part represented by Democrats may give.

We now turn from the purely political and partisan influences brought to bear upon the Senate to others which have been peculiar, in part pecuniary, and out of the use of which have arisen so many scandalous and disreputable stories affecting the honor of individual Senators. It is not bribery known to the statutes or common law for a member of a parliamentary body to speculate upon the probable course of legislation. It is not even disreputable according to the peculiar moral code which has enabled Senator Brice, Senator Smith, and some others to accumulate wealth.

When the bill was before the subcommittee of the Finance Committee of the Senate some of the officers and managers of the sugar trust established themselves in Washington, being in New York a part of the time and in Washington at frequent intervals. Upon one occasion there were gathered in a room in a Washington hotel Mr. Havemeyer, Senator Brice, Senator Smith, of New Jersey, "Brice's Terrell," and one other man whose name it may be worth while to withhold for the present. At that interview Mr. Havemeyer displayed a great deal of indignation. He rebuked Senator Brice for failing to secure such influence in the Senate as the sugar people expected him to secure. He turned to Senator Smith and asked him bluntly, almost brusquely, what he was going to do to maintain the pledges of the party leaders to the sugar men and to secure a satisfactory schedule. Senator Smith replied that he did not see what he could then do, but he said there was always this consolation, that if they could not secure the schedule they wanted they could surely defeat the bill, leaving the present law operative.

HAVEMEYER SHOWS HIS TEETH.

Mr. Havemeyer did not seem to feel so sure about that. At all events he was persistent in pleading for a complete abandonment of the subcommittee's policy respecting sugar, and an open avowal of favor towards protection for this American industry. In the course of that conversation it was said that if such a schedule as would be satisfactory was adopted, or even reported, the price of sugar on the market would advance thirty points in thirty days. To men with the speculative instinct as keenly developed as it is in Senator Brice and Senator Smith, it is easy to see what such a statement as that meant for them. However, the meeting that night which lasted until a late hour did not end satisfactorily and Mr. Havemeyer returned to New York the next morning, and that was the day upon which the slump in sugar occurred, a transaction which has since then been regarded as an object lesson most impressive to some of the Senators.

After that and beginning with the first hint of favorable inclination in the Senate, the price of sugar on the market has gradually appreciated until the prediction made in that room that night has been verified, excepting that it has taken longer than thirty days for sugar to go thirty points. Mr. Brice has never denied the accusation publicly made that he has speculated in sugar, nor has Senator Smith cared to say that the reports that he has made half a million dollars by reason of his good fortune in procuring inside knowledge as to the movement of the sugar market are without any foundation. Here we know that the brokers with whom Senator Brice has been accustomed to commit his speculative interests have been very large purchasers of sugar, and we know also that these brokers had inside information as to the action of the Senate upon the sugar schedule. It may be as good a place here as anywhere to relate an incident showing the truth of that statement.

On the very day that Mr. Voorhees, the chairman of the Finance Committee, denied in the Senate that any amendments were proposed to the Senate's bill as originally reported by the Finance Committee, the list of some 400 amendments, as prepared by Senator Jones, was in the hands of one of the members of the brokerage firm of Moore & Schley. He had not arisen when it was placed in his hands. He was in bed, for it was early morning. He sat up in bed and read these amendments, conspicuous among them being the final determination regarding the sugar schedule. So that while the Senate, the House, the country not only knew nothing of these amendments, but were assured by the chairman of the Finance Committee that there were none, Senator Brice's brokers had a copy of the amended bill and the privilege which was denied even to the chairman of the Finance Committee of reading them.

To go back a little. After Mr. Carlisle's address to the Finance Committee, after the meeting between Mr. Havemeyer and Senators Brice and Smith, there occurred an extraordinary thing in the Finance Committee. Senator Vest made a statement which caused Mills to look upon him with amazement, to regard him with suspicion, and some of the other members of the committee to eye one another furtively. The Senator said that he did not see why a duty of one-half of a cent upon raw sugar did not afford sufficient protection to all the sugar interests of this country. If Mr. Vest were a new Senator, such an astonishing assertion as that might have been ascribed to ignorance, but he has been through tariff bill after tariff bill. He looks upon himself as something of an expert, and he must have known that his statement was ridiculous. In view of his earlier position, it seemed not only ridiculous, but strange. It even caused one Senator to say to another, "Vest has flopped." But he followed it with another, even more extraordinary, statement. He said that, in view of the excitement over the sugar schedule, he had been compelled to ask his personal friend, Mr. Joe Rickey, to deprive himself for the time being of the delights of personal intercourse with him, because if he was seen so much in Rickey's company just then it might cause suspicion to be aroused.

Suspicion of what? Mr. Rickey is a speculator upon the market of more than local repute. He knows how to buy and how to sell. He is reputed to have made several fortunes because he has let his speculative instinct have his way with him. Did Senator Vest mean to intimate that it might be said if he changed his action in regard to sugar that his relations with Mr. Rickey would cause it to be suspected that Mr. Rickey might have gone upon the market having the advantage of prior knowledge that would boom sugar stocks? Senator Vest afterwards took occasion upon the floor of the Senate to deny an accusation publicly made that he had ever bought a dollar's worth of sugar certificates, and when he made that denial there were Senators who, remembering that queer comment about Joe Rickey before the Finance Committee, wondered if Mr. Rickey himself could with equal truthfulness have made such denial as that.

SUGAR-TRUST DOMINATION.

We had, upon the Sunday before the bill as first reported was sent to the Senate, a striking illustration of the absolute domination of the sugar trust over the Democratic members of the Finance Committee. That was an all-day and half the night

session and upon the Sabbath day. In one room were the Democratic members of the Finance Committee and also, in the wing of the Capitol, were the representatives of the sugar trust. There were Havemeyer, and Terrill, and Meyer, Ben Le Fevre, and others. These men sat as the rulers of a political convention sit, in a place apart and yet within instant communication of those who are to act. There we are runnings back and forth between the Finance rooms and the quarters occupied by the trust all day. Everything had been arranged up to the point of satisfying the Louisiana Senators. Even the trust had realized that it was necessary for the Democratic party to placate these Louisiana men, or else there would surely be two votes against the bill. It was a question of compromise, each side giving a little and taking a little.

At one time it seemed as though the whole negotiation must go to pieces. Never was there more desperate battle between conflicting interests in the committee rooms of the Capitol. At last, late that evening, Senator Caffery drafted a schedule, Mr. Havemeyer looking over his shoulder and the other members of the sugar trust watching the Senator with eyes that fairly glittered, so one Senator who saw that spectacle afterwards reported. It was the crucial moment. When Senator Caffery had finished, the sugar trust read his draft, reluctantly accepted it, it was taken to the room of the Finance Committee and there accepted, the victory won and the original draft is still in the possession of the committee in Caffery's handwriting and with the approving marks of the sugar trust upon it.

It was after this was done that word was brought to New York and confidential information given to a company of conspicuous Democrats that the sugar trust had clinched the Senate, and that their interests were now protected whatever was done by the Senate. There was also given such narration of these events as has made it possible to tell much of this story. It is a story not picked up upon the streets, not the gossip of idle chatterers, but comes directly from the mouths of men who had part in it.

ENTER THE STANDARD OIL.

There remains one more thing to be told of the direct influence of the trusts upon the Senate, and that thing explains the sudden, amazing Democratic caucus called by Gorman on Friday of the week before last. The Standard Oil people had apparently taken little interest in the proposed tariff legislation. But this indifference was apparent, rather than real. Some time early in the first week in May the exceedingly subtle representatives of that colossal trust appeared in Washington. The fine hand of William C. Whitney, a greater Jesuit and diplomatist even than Brice, Gorman, or Hill, caused this final play.

The Standard Oil people came, bearing a plea for union of interests. They succeeded in overcoming Brice's opposition to the whisky trust, an opposition believed to have been caused by the manner in which that trust once clipped the Senator's financial wool. The other trusts were taken into consultation, and within a few hours there came agreements which caused the relation of the bill to the Senate to be entirely changed. The Standard Oil, the sugar, and the other trusts being now satisfied, the Senators whom they control content, it was suggested that immediate advantage be taken of that condition to cause a caucus to be held; so that within forty-eight hours after the Standard Oil went to Washington, Gorman had delivered his party, being aided preliminarily by Brice and Smith, into the hands of the trusts.

One thing was decided upon at the meeting of the trusts which has not, until this writing, been made public. The suggestion came from the Standard oil men. It was this: "Let it be said for us that we do not oppose the income tax; that we feel that we ought not to oppose it, since we can better afford to pay 2 per cent on a million than not to have a million at all. As the Government now proposes to protect us, so that we can make money, we are willing to pay back to the Government 2 per cent upon the money which we make, thanks to its favor." That is the plausible statement which they expect to send forth; but the real reason for this sudden advocacy of the income tax is that as the bill now is it will be repugnant to the House unless it carries back to that body a sop, and that sop is to be the income tax. That argument was definitely, positively set forth and agreed to at the meeting between the representatives of these trusts and Mr. Gorman, Mr. Brice, and the two or three others who arranged these things.

Of course it has been made plain that after the Democratic members of the Finance Committee, although denying it, had yielded to the sugar trust and the other trusts, it became essential to make other concessions in order to secure the support of certain Senators who had not been particularly involved in these trust negotiations, and that, as the Washington dispatches have clearly set forth, was accomplished in a hurry, Senator Gorman going even so far as to plead with certain interests to alter their schedules before the caucus had taken action. Most of these interests were able to take advantage of the proposition, but the woolen one was, either through negligence, incompetence, or downright treachery of some of those who

had its matters in charge, passed by without obtaining the concessions which Gorman had promised to give if they would ask for. As it is, then, the bill now is a trust creation pure and simple, and whatever may be said of its relation to the Democratic platform or Democratic policies it fulfills those great obligations entered into with members of the conspicuous trusts at the time of the national campaign, and for which subscriptions aggregating nearly three-quarters of a million of dollars were received.

There is one other feature of this matter which we hear much discussed in New York, and that is the real disposition of the sugar-trust people toward this bill and their opinion regarding the likelihood of its passage. The disposition may be explained in a few words. If the bill can be passed with the proviso that the sugar schedule is not to go into effect till next January then the sugar people are intensely interested in its passage. If that proviso should be omitted the trust does not care greatly whether the bill be defeated or not. With the January proviso in a very careful estimate has been made of the profits which will accrue to the trust, every penny of which will come out of the people, and will represent a diversion of revenue from the U. S. Treasury to that of the trust.

THE TRUST GOT A BARGAIN.

Careful computations have been made here as to the value of the colossal prize which lies in this January proviso. Making an estimate upon importations of sugar for the last year from foreign countries and upon that figuring the revenue that would be received by the Government at the proposed rate upon raw sugar, and adding to it the profits which the sugar refiners would make upon the manufactured article, the estimate is that this January proviso would mean the enormous sum of $56,000,000 to the sugar trust. Of that amount at least 75 per cent ought to go to the Government, because the sugar people controlling this importation and getting it free of duty would nevertheless place upon the refined sugar made from that held in bond the duty imposed by the Government.

The sugar people here feel that the great danger which this provision will be exposed to when it is discussed will be the argument that will show that it will completely neutralize the purpose of the bill itself. For it will, instead of getting the Government for the next year the duty from sugar, deprive it of it, so that for a year at least the calculations of the makers of the bill of the amount of revenue the Government would receive under it would all go for naught.

We get what seems to be conclusive proof that already the sugar trust has contracted for practically the entire product of Cuba, the British West Indies, Puerto Rico, and nearly all the raw sugar produced elsewhere that will be grown this year. That sugar, if the January proviso goes into effect, will be hurried to this country and placed in warehouses. Before January every pound of sugar, excepting that of Louisiana, which the refiners expect to use, will be in this country and free of duty. The trust has already in stock 300,000 tons of sugar, or all the raw sugar there is in this country, excepting about 30,000 tons.

There are evidences furnished to the bankers not only of these contracts, but of the forwarding of the money to pay for some of them. The sugar trust, which has been a large loaner of money upon the street, has called in its loans, and its financiers have been negotiating for gold for export to pay for this season's crop of sugar. While it is not easy or even possible to trace the gold that has been exported recently to the purpose that led to its export, nevertheless the Wall street bankers are convinced that very much of it represents payments by the sugar trust on account of purchasing of sugar in the West Indies and elsewhere. If this January proviso be added the drain of gold must greatly continue, for an enormous sum will be necessary in order to make payment upon this crop.

Thus it is possible to show the relations of this great corporate monopoly to the Democratic party and its tariff measure. Of the vast fund of incidents and facts that have been accumulated through a careful investigation a sufficient number have been selected to show the political pressure which the trust has been able to bring upon the administration and Congress, and also to indicate what the other influences were which were exerted, and how the splendid opportunities the market afforded for gaining enormous wealth must have tempted so many Senators to take advantage of them as to have influenced the action of the committee and completely change the principle of the bill from that which was in it when it was reported from the House to the Senate.

HOLLAND

TESTIMONY TAKEN AS TO CHARGE THAT SUGAR SCHEDULE OF TARIFF BILL HAD BEEN MADE UP IN CONSIDERATION OF CAMPAIGN CONTRIBUTIONS MADE BY SUGAR TRUST TO DEMOCRATIC COMMITTEE; AS TO SENATORS SPECULATING IN SUGAR STOCKS AND SPECIAL REPORTS MADE AS TO CERTAIN CONTUMACIOUS WITNESSES.

SWORN TESTIMONY OF ELISHA J. EDWARDS.

(May 24, 1894.)

The CHAIRMAN. What is your age?

Mr. EDWARDS. I am 46.

The CHAIRMAN. Where is your residence?

Mr. EDWARDS. My legal residence is Greenwich, Conn. I live in the suburbs of New York.

The CHAIRMAN. What is your occupation?

Mr. EDWARDS. News-writer; correspondent.

The CHAIRMAN. Of what paper?

Mr. EDWARDS. Mainly for the Philadelphia Press—entirely so, practically.

The CHAIRMAN. Are you a graduate of Yale?

Mr. EDWARDS. Yes; in 1870, of the Yale Law School of that year.

The CHAIRMAN. Are you the writer of the article or letter in the Philadelphia Press of May 14, 1894, signed "Holland?"

Mr. EDWARDS. Yes.

The CHAIRMAN. There are some statements of fact in that letter about which we would like your testimony. You say in that article that—

In the summer of 1892, after Mr. Cleveland's nomination, Mr. Benedict, Mr. Havemeyer, Mr. Cleveland, and one or two others had a conversation, either in Greenwich or upon Mr. Benedict's yacht, in which the sugar interests were earnestly discussed, and those interested as affected by the situation in the Hawaiian Islands particularly analyzed. There is no doubt now that at this meeting there were planted the seeds of the policy developed by Mr. Cleveland after he became President toward the Hawaiian Islands. At that time and subsequently there came about understandings between Mr. Cleveland and these friends of his which, if they could ever be fully exposed, would explain completely that miserable and strangely unreasonable Hawaiian incident.

Will you state what you know about that?

Mr. EDWARDS. I ought to state that after having written that article I became satisfied that my mind was a little confused as to the dates, and that the meeting which I described there occurred in the summer of 1893 instead of the summer of 1892, and that the conversation which I heard indicated in an explanatory way what the relations of the administration and the sugar trust were to the Hawiian incident. I am satisfied that I have the date wrong; it was not 1892, but 1893.

The CHAIRMAN. It was in 1893, then?

Mr. EDWARDS. Yes.

The CHAIRMAN. It was after Mr. Cleveland's election, and not after his nomination?

Mr. EDWARDS. After his election. It explains what had gone before instead of what was to come.

The CHAIRMAN. What do you know about the matter there stated as taking place in the summer of 1893 instead of 1892?

Mr. EDWARDS. May I not be permitted to refer to a memorandum?

The CHAIRMAN. Yes.

Mr. EDWARDS. I have written out carefully, with a view of helping the committee, some notes, in order that I may be accurate in my statements.

The CHAIRMAN. We do not want you to read from the memorandum; you may refresh your recollection from it and then state. Were those memoranda made at the time or since?

Mr. EDWARDS. Since I have been summoned before the committee, and mainly to refresh my memory so that I may be accurate. I think in September of last year—I can only identify the time by the fact that it was soon after my return from a holiday, which must have been about the 1st of September, 1893—about that time, that is, as nearly as I can recollect it, I met a gentleman who spoke to me about an article that I had written concerning an operation upon Mr. Cleveland's jaw for cancer or malignant growth, which operation had taken place some weeks before upon Mr. Benedict's yacht. That article excited a good deal of interest throughout the country. This gentleman said to me, "As important as that news is, there is something much more important to this country besides the fatal disease, and which is now brewing." I asked him if it was something which he could give me. He said not then, because he was under confidence not to do it. Later, when he had the information that an attempt had been made to restore the Queen of Hawaii and that it had failed, this gentleman stated that that was the news which he had and could not give. My recollection is that he either told me it was on Mr. Benedict's yacht, at his place, or at some resort, a pleasure excursion of some kind. Mr. Havemeyer, Mr. Benedict, Mr. Cleveland, and some others were present.

Senator ALLEN. Was that E. C. Benedict?

Mr. EDWARDS. E. C. Benedict. There had been a general conversation about the Hawaiian Islands, sugar interests, and I think he said Mr. Havemeyer, at all events it was said by some one, that there would be a sensation in the country before Congress met.

The CHAIRMAN. Who said it?

Mr. EDWARDS. Either Mr. Havemeyer, Mr. Benedict, or some one in the party; because it would be then found that there was peace in Hawaii and the Queen would be restored. This gentleman was a Col. H. W. R. Hoyt, of Greenwich. He had been speaker of the Connecticut legislature and a warm personal friend of mine for twenty years. I was particularly impressed by it, because Col. Hoyt had given me information in the campaign of 1892, which I found in part correct, and he had been counsel for Mr. Havemeyer, who was also a resident of Greenwich, but he was counsel not connected with the sugar interests but real estate.

Senator ALLEN. Which Havemeyer?

Mr. EDWARDS. Henry O. Havemeyer, the president of the sugar trust so that I was particularly impressed by that information.

The CHAIRMAN. What was that information, in addition to what you said?

Mr. EDWARDS. The information was that the story which he could have told me in September was that there had been an admission, confession, or statement of these people that before the regular session of Congress it would be found that the Queen had been restored. Col.

Hoyt said he could not tell it then. After the news came the colonel met me and said that was the news which he would liked to have told me.

The CHAIRMAN. From whom did he say he got this information?

Mr. EDWARDS. I do not think he told me from whom he got it.

The CHAIRMAN. You say it occurred where?

Mr. EDWARDS. Either upon Mr. Benedict's yacht, Mr. Benedict's place, or some recreative gathering which happened about that time.

The CHAIRMAN. Did Col. Hoyt tell you in that way; that it occurred on Mr. Benedict's yacht, at his house, or some recreative gathering?

Mr. EDWARDS. No; I put it in my mind that way.

The CHAIRMAN. What connection had that with the sugar business, what Col. Hoyt said?

Mr. EDWARDS. What did that have to do with the sugar business?

The CHAIRMAN. Yes; about sugar interests?

Mr. EDWARDS. No connection, other than the suggestion that the sugar people were as influential as they had been from the time of the election as before.

The CHAIRMAN. He made that suggestion?

Mr. EDWARDS. He made that suggestion; not in those precise words; but that was the idea.

The CHAIRMAN. Did he tell you how he obtained this information?

Mr. EDWARDS. No; my impression is that he heard it from some of those people. He did not tell me how he heard it.

Senator ALLEN. That he heard it of one of this party of which you speak?

Mr. EDWARDS. My impression is that he told me.

The CHAIRMAN. That it was either Mr. Havemeyer or Mr. Benedict?

Mr. EDWARDS. Mr. Havemeyer, Mr. Benedict, or some of the party.

The CHAIRMAN. Who were they?

Mr. EDWARDS. Mr. Cleveland was there.

The CHAIRMAN. You have stated that.

Mr. EDWARDS. I do not remember his mentioning any others.

The CHAIRMAN. Are you sure Mr. Hoyt said that Mr. Cleveland was there?

Mr. EDWARDS. No; I am not absolutely sure; my impression is that he did say so.

The CHAIRMAN. Was that all that Col. Hoyt told you at the time?

Mr. EDWARDS. Except to refer to the conversation that we had the year previous.

Senator ALLEN. I do not wish to interrupt you at all in your examination, but I want to facilitate it all I can. It strikes me that right there it might be important to ascertain exactly what Col. Hoyt informed this witness was agreed upon in this meeting upon the yacht, if he did inform him of anything, in reference to the sugar interests of Hawaii, and how the parties there assembled arrived at the conclusion that the Queen would be restored.

The CHAIRMAN. You say that "at that time, and subsequently, there came about understandings between Mr. Cleveland and these friends of his which, if they could be ever fully exposed, would explain completely that miserable and strangely unreasonable Hawaiian incident." What were those understandings to which you refer?

Mr. EDWARDS. Those would be very largely inferential, and it would be necessary for me to go back and explain.

The CHAIRMAN. You say at that time, and subsequently, there came about these understandings?

Mr. EDWARDS. I explained to you that I made a mistake in the date.

The CHAIRMAN. I take your date, the summer of 1893. You say:

At that time, and subsequently, there came about understandings between Mr. Cleveland and these friends of his which, if they could ever be fully exposed, would explain completely that miserable and strangely unreasonable Hawaiian incident.

What were those understandings?

Mr. EDWARDS. Those understandings were conjectural.

The CHAIRMAN. On your part?

Mr. EDWARDS. On my part, and on the part of many persons, that that Hawaiian policy of the President was due very largely to the friendly interest of the sugar people (Mr. Spreckels particularly) in having the Queen restored and overthrowing the Provisional Government.

The CHAIRMAN. Did not Col. Hoyt tell you definitively what those understandings were?

Mr. EDWARDS. No; he did not.

The CHAIRMAN. Then these understandings to which you have referred in the article quoted are conjectures?

Mr. EDWARDS. They are my conjectures, many of them.

The CHAIRMAN. You have no personal knowledge of them?

Mr. EDWARDS. I have no personal knowledge; no.

The CHAIRMAN. What are the conjectures founded upon—the fact that they were upon this yacht and talking about Hawaii?

Mr. EDWARDS. Partly upon that.

The CHAIRMAN. Upon what else?

Mr. EDWARDS. And partly upon the fact that in the winter of 1893, before that, Mr. Dickinson, I understood, came to New York and said that a commission was to be appointed to go to Hawaii and arrange for certain matters which were then in contemplation.

Senator LINDSAY. Do you mean the winter of 1893, or 1892?

Mr. EDWARDS. Yes; I should say in January, 1893.

The CHAIRMAN. Don Dickinson said to whom?

Mr. EDWARDS. I do not remember.

The CHAIRMAN. Who told you that he said so?

Mr. EDWARDS. I can not tell you the person. I gathered that in my newspaper work in New York.

The CHAIRMAN. Would the fact that Mr. Havemeyer, Mr. Benedict, and Mr. Cleveland were together at Havemeyer's house, or on his yacht, or at some other place, justify your conjecture that they framed the matter which is here stated?

Mr. EDWARDS. Yes.

The CHAIRMAN. You say:

It is known that at Lakewood, before Mr. Cleveland became President, and after the successful revolution in Hawaii had been made known to President Harrison's administration, a meeting took place at which the determination was reached to overthrow the revolutionists and restore the Queen.

Mr. EDWARDS. That was information obtained by me at the time in the general course of investigation of that matter. It was generally understood as a matter of common talk that there was such a meeting—that there was an agreement at that time.

The CHAIRMAN. A meeting of whom?

Mr. EDWARDS. Mr. Cleveland and gentlemen who were close to him. I understood Mr. Lamont was there.

The CHAIRMAN. Who else?

Mr. EDWARDS. Don Dickinson.

The CHAIRMAN. Who else?

Mr. EDWARDS. I do not recall all who were there. I think Mr. Straus. My impression is Mr. Straus was there. These are impressions from recollection only.

The CHAIRMAN. Impressions from what?

Mr. EDWARDS. Recollections of my own work at that time.

The CHAIRMAN. What is your work?

Mr. EDWARDS. The work of a newspaper correspondent.

The CHAIRMAN. From whom did you get this information about Lakewood?

Mr. EDWARDS. I could not identify the particular party. It would be impossible for me to tell you.

The CHAIRMAN. Who told you about it?

Mr. EDWARDS. It would be impossible for me to tell you. I can not identify it.

The CHAIRMAN. Did anybody tell you, or were they inferences from other facts that were given you?

Mr. EDWARDS. My impression is that I was told by a number of people that there was such a meeting. My recollection is that there were one or two newspaper reports of conferences. I myself did not go to them.

The CHAIRMAN. Do you recollect what they were?

Mr. EDWARDS. I think there was a report in the New York World——

The CHAIRMAN. At that time?

Mr. EDWARDS. About that time.

The CHAIRMAN. Stating that fact—that there were understandings had at Lakewood in that regard?

Mr. EDWARDS. Not in that way, but substantially. The conversation was this Hawaiian matter and the Foster treaty then before the Senate, as I understand it.

The CHAIRMAN. Then the statement is not based upon your own personal knowledge, but founded on statements which you say were made or printed about that time, the authors of which you do not now recollect?

Mr. EDWARDS. That is about the truth of the matter.

Senator LINDSAY. You say that conversation was in relation to the Foster treaty then pending before the Senate?

Mr. EDWARDS. That is my recollection. I think the Foster treaty was pending at that time.

Senator LINDSAY. What relation had that to the sugar trust? That is the examination we are making, whether Mr. Cleveland after he was elected, and that winter before he was inaugurated, talked about the pending treaty or not (it would be very strange if he did not) is not so much the question; but what relation had it to the sugar trust.

Mr. EDWARDS. If you will let me tell in my own way how I came to these conjectures, I will try to do so.

The CHAIRMAN. You can state the sources of your information.

Mr. EDWARDS. I can not state all the sources of my information; it is impossible; it has been so long ago. But it is matter of common knowledge that Mr. Spreckels, for instance——

The CHAIRMAN. We do not wish you to repeat what is here in this newspaper; but any explanation you can give of your statement we would be glad to hear.

Senator DAVIS. I think as a preliminary way he can state how he came by it.

The CHAIRMAN. Exactly. We do not want him to re-state what he

has in the article, but how he came to make the statement, or any knowledge connected with it, we would like to have.

Mr. EDWARDS. The first hint that the sugar people were interested came from a chat with Mr. Dickinson—this report that Mr. Dickinson was interested or was to be appointed to the Hawaiian Islands.

The CHAIRMAN. A chat had with you, or report made to you?

Mr. EDWARDS. No, not a report made to me. Then the very evident interest of Mr. Spreckels, the immense interest of Mr. Spreckels, and of his close associate, Mr. Charles Nordhoff. Then I recollect that the common impression in Wall street was that the sugar people were intensely excited, intensely interested over the developments in Hawaii tending to the establishment of the Provisional Government; and I remember that I received the impression from going about as I did that the sugar people would do everything they could to prevent that.

Senator LINDSAY. To prevent what?

Mr. EDWARDS. To prevent the existence of the Provisional Government being continued, or to prevent the success of that revolutionary movement. I do not speak with a lawyer's accuracy; but the sugar-trust people were opposed to the Provisional Government.

The CHAIRMAN. Who told you that?

Mr. EDWARDS. That was common talk in Wall street. I can not identify the particular individual.

The CHAIRMAN. Can you remember any Wall street man or person who told you that?

Mr. EDWARDS. No, no particular individual; it was in the air—common report. I also recollect it was reported—and I was not in Washington—that a certain gentleman (I think Mr. Villard) was reported to have gone directly from Lakewood to Washington, and suggested that it would be the pleasure of the incoming administration that the Foster treaty be not acted upon.

The CHAIRMAN. Where did you get that information?

Mr. EDWARDS. I can not identify the place where I got it; it was general information that came from various sources.

Mr. CHAIRMAN. When did that information come to you?

Mr. EDWARDS. About that time.

The CHAIRMAN. What time?

Mr. EDWARDS. Say two weeks before the incoming of Mr. Cleveland's administration.

The CHAIRMAN. Before the inauguration?

Mr. EDWARDS. Yes. There was an article in the New York World in which the visit of Villard to Washington was described. The conjectures that came to my mind later as to the interest that these people had in that matter——

The CHAIRMAN. Is that the explanation which you wish to make?

Mr. EDWARDS. That is the best explanation that I can make now.

The CHAIRMAN. You say:

> Mr. Cleveland may or may not have been knowingly a party to the influences of the sugar trust then brought to bear upon him. Whether he did it or not, he responded to them, and he went to Washington determined to appoint Mr. Blount his special commissioner.

Mr. EDWARDS. That was also a part of the general information which I received at that time. And I have heard it stated since then that Mr. Cleveland did, when he went to Washington, in fact, appoint Mr. Blount; that is, two or three days after he became President, appointed Mr. Blount commissioner to Hawaii.

The CHAIRMAN. When did that come to your mind, before or after?

Mr. EDWARDS. After.

The CHAIRMAN. How long?

Mr. EDWARDS. I first thought of that, perhaps, after I had this chat with Col. Hoyt.

The CHAIRMAN. That was in September, 1893?

Mr. EDWARDS. September, six months later. I, perhaps, first thought of it in that way; I am not sure.

The CHAIRMAN. You thought that Mr. Blount's appointment had been determined upon at this meeting that Mr. Hoyt told you about?

Mr. EDWARDS. Oh, no; I misunderstood your question. I think the conviction came to me that Mr. Cleveland decided to appoint Mr. Blount before he went to Washington.

The CHAIRMAN. Through whom did it come?

Mr. EDWARDS. I can not identify.

The CHAIRMAN. Did it come from a person who assumed to have knowledge, or was it a conjecture on your part?

Mr. EDWARDS. I do not think it was entirely a conjecture on my part; I think I must have heard it at that time—that that was the purpose Mr. Cleveland had in mind when he went to Washington.

The CHAIRMAN. Did you hear that definitively from some one who stated he knew it as a fact, or stated it from some one who made conjectures as to that matter, or thought it probable?

Mr. EDWARDS. I should be unable to answer that question, although my impression is that it was conjecture on the part of these persons.

Senator DAVIS. What caused you to conjecture Mr. Blount?

The CHAIRMAN. Mr. Edwards says it was a conjecture on the part of those who informed him.

Mr. EDWARDS. On the part of those who informed me.

The CHAIRMAN. And that is your explanation of that paragraph in your letter?

Mr. EDWARDS. Yes.

THE CHAIRMAN. You state——

It was he——

meaning Mr. Cleveland——

who announced to Gresham the determination to appoint Blount, he who instructed his Secretary of State to draft the letter, and Gresham has patiently, uncomplainingly, but with a sense of humiliation, borne such reproaches as have been heaped upon him as the supposed instigator of this policy. It was instigated by the sugar people, accepted by Mr. Cleveland at Lakewood, and it was this acceptance which caused him to cleave with such desperate obstinacy to the policy.

Mr. EDWARDS. That was in the nature of an editorial paragraph, based upon conjectures which I have received from others; and it is also my impression that I heard it definitely stated that the policy was that of the sugar people.

The CHAIRMAN. Can you state who told you so?

Mr. EDWARDS. No; I can not.

The CHAIRMAN. Do you think by taking thought you can recollect?

Mr. EDWARDS. I have thought that matter over very carefully after I was summoned. I have talked with so many people that it is impossible for me to identify under oath.

The CHAIRMAN. By the way, have you talked with Col. Hoyt since you were summoned?

Mr. EDWARDS. No.

The CHAIRMAN. Since you wrote the article?

Mr. EDWARDS. No. Unfortunately Col. Hoyt died about a month

ago. I would not have referred to Col. Hoyt if I had not proof from a living witness.

Senator LINDSAY. Upon what do you base your statement that the Secretary of State was not favorable to the policy of the administration and yielded uncomplainingly to a course that he disapproved of?

Mr. EDWARDS. I do not think I did state that the Secretary of State was not favorable to it. I think the impression that I meant to give out was that the policy was dictated by the President, as he had a right to do; that it was not initiated by the Secretary of State, but by the President. I heard that at the time. I heard it in New York; but from whom I do not know.

The CHAIRMAN. You say further in this article:

> We come now to the relations of the sugar trust to the national campaign of 1892. It made subscriptions to both parties, and the Republican national committee was rejoiced when, upon a day when money was needed, it received a subscription from men identified with the trust, really from the trust itself, of $40,000.

You make that upon personal knowledge?

Mr. EDWARDS. My recollection of that is: I was at the Republican headquarters a great deal during the campaign, saw a good many people, and it is impossible for me to identify the people who told me particular things. But I do remember this, somebody told me that Mr. James J. Belden, now a member of Congress from Syracuse, N. Y., had with him at the Republican headquarters a gentleman connected with the sugar trust. At that time the trust had given to the Republicans $25,000, I think, as a first subscription, if I remember aright, and they wanted more, and subsequently there was $15,000 more raised, which made $40,000. This gentleman of the sugar trust—I am not sure who it was; my impression is that it was Mr. Searles, as he is the only Republican in the trust—said in the presence of Mr. Belden, "We have given $250,000 or $300,000 to the Democratic campaign."

The CHAIRMAN. Was this said by Mr. Belden in your presence?

Mr. EDWARDS. No.

Senator LINDSAY. Do you say that that information came from Mr. Searles?

Mr. EDWARDS. I beg pardon. My impression was that it must have come from him, because he was the only prominent Republican.

Senator DAVIS. I understood you to say that this was said in the presence of Mr. Belden by Mr. Searles.

Mr. EDWARDS. I do not say that it was Mr. Searles; it was a conjecture of mine, because he was a prominent Republican. I do not remember any other Republican in the trust. That is all the information that I have ever received directly as to the contribution of the sugar people. And when I say sugar trust, I beg it to be understood that I do not mean sugar trust as a corporation; I use the word colloquially, meaning persons connected with it. That is what I mean.

The CHAIRMAN. This information came to you from Mr. Belden?

Mr. EDWARDS. Not from Mr. Belden. I was particular to say that it was hearsay information.

The CHAIRMAN. Some one told you that Mr. Belden said so?

Mr. EDWARDS. Yes. My impression is it was some member of the national committee.

The CHAIRMAN. You can not think who it was?

Mr. EDWARDS. No. I tried to turn that over in my mind and remember, but I could not. But I do remember that a member of the sugar trust was there with Mr. Belden, and it was said that the subscription

was increased from $25,000 to $40,000. He said it would be better, as they had given from $250,000 to $300,000 to the Democratic committee.

The CHAIRMAN. Who told you that; you do not know?

Mr. EDWARDS. No. My impression is that it was some member of the national committee.

The CHAIRMAN. Now, you say in regard to the Democratic campaign:

In the stress which the need for money had occasioned, these managers—

that is, the Democrats managing the campaign—

were willing to pledge almost anything for cash. Some of the pledges were inferential, as in the Van Alen case; some of them explicit.

What were the explicit ones?

Mr. EDWARDS. The Victoria Hotel conference.

The CHAIRMAN. What was that? In the first place tell us what the Victoria Hotel conference was, and then the source of your information.

Mr. EDWARDS. My source of information regarding that conference was open to all newspaper men who were investigating. If you mean by that precise individuals, I can not now give them.

The CHAIRMAN. I do mean precise individuals, if you can give them.

Mr. EDWARDS. I can not give you precise individuals, but I can give you corroborative proof of what was done, which proof has come out recently. The Victoria Hotel conference, as it was colloquially named, was a meeting between Richard Croker, Lieutenant-Governor Sheehan, of New York, William C. Whitney—I am not certain whether Senator Brice was there or not; my impression is that he was, but I am not sure of that. Senator Murphy was there, I am sure. I am not sure whether Brice was there, but Murphy was—and Mr. Cleveland. That was a dinner at the Victoria Hotel.

The CHAIRMAN. Which was spoken of in the newspapers at the time?

Mr. EDWARDS. Yes.

Senator ALLEN. When was that?

Mr. EDWARDS. That must have been in October, 1892. It was not very long (perhaps four weeks) before election. It was the time Mr. Cleveland made his first trip.

The CHAIRMAN. Were any of the sugar people there?

Mr. EDWARDS. No, not that I know. I think not.

The CHAIRMAN. I have no objection to going into that. Have you any other information in regard to that conference except what was in the newspapers—at the time?

Mr. EDWARDS. Only what was corroborated recently.

The CHAIRMAN. That there was such a meeting?

Mr. EDWARDS. And what was done—what I saw with my own eyes.

The CHAIRMAN. Was there any meeting at that time with what they call the sugar people?

Mr. EDWARDS. No; I do not speak of that in the article, if you will glance at it.

The CHAIRMAN. Will the committee determine how far we are to go into the byways of political gossip?

Senator LODGE. I do not see any use in going over the Victoria conference. It had nothing to do with the sugar trust, as I understand.

Mr. EDWARDS. Nothing.

Senator LODGE. The chairman asked about explicit pledges, and that is what Mr. Edwards said.

The CHAIRMAN. Were there any explicit pledges made to the sugar trust at that conference?

Mr. EDWARDS. No, not one.

Senator ALLEN. What relation had that to it?

Mr. EDWARDS. Nothing, except possibly it might have a bearing. I can tell you what I think about that, it is purely an inference, a conjecture. It simply has relation to the contribution of the sugar trust.

Senator ALLEN. It strikes me that that might be important.

Mr. EDWARDS. Yes, a possible relation to the sugar trust.

The CHAIRMAN. Something that you heard?

Mr. EDWARDS. Something I heard; yes.

The CHAIRMAN. You may state.

Mr. EDWARDS. I understood, or heard—that is a matter of common report—that very much of the sugar-trust contribution went into the channels controlled by Mr. Croker, chairman of the State committee. A part of the programme of the Victoria conference was the suppression of what was called the antisnapper faction, which was distasteful; and after that was done the Tammany people had a very large contribution from these people.

The CHAIRMAN. We do not want that.

Mr. EDWARDS. No, you do not want that. That is the only possible relation that the Victoria conference had.

The CHAIRMAN. You say you do not know of any relation of that Victoria conference to the sugar trust?

Mr. EDWARDS. No.

The CHAIRMAN. You say:

Whether Mr. Whitney, Mr. Gorman, or Mr. Brice met the representatives of the sugar trust, or whether it was some other agent, must not now be said.

What do you mean by that, or why must it not now be said?

Mr. EDWARDS. Because I was not at all sure in my own mind. I did not get definite information as to the direction the contribution took.

The CHAIRMAN. That is what you meant by saying "must not now be said?"

Mr. EDWARDS. Should not now be said. I should have been more accurate had I said that.

The CHAIRMAN. Because you did not know?

Mr. EDWARDS. Did not know.

The CHAIRMAN. You go on:

Brice was associated with them through friendly alliances and particularly through his friend, H. L. Terrell, of Cleveland, "Brice's Terrell," as they called him; and Mr. Gorman was brought into close association with them, and by another agency, which it may be well at present not to reveal.

What agency was that?

Mr. EDWARDS. Would you like to know what agency that was?

The CHAIRMAN. Yes.

Mr. EDWARDS. I would like to be frank and say to the committee that I refer to Stephen B. Elkins.

The CHAIRMAN. That is the agency you refer to there?

Mr. EDWARDS. Yes; by common report.

The CHAIRMAN. Do you know of your own knowledge that Mr. Gorman was brought into close association with the sugar people through Mr. Elkins?

Mr. EDWARDS. Not if you put that question to me in a legal sense.

The CHAIRMAN. In what sense, then?

Mr. EDWARDS. It is common understanding that Mr. Elkins and Mr. Gorman being relatives by marriage, having had very great business

interests in common, their relations had been very close. That is a matter of common report. In that sense I know it; not from individual knowledge.

The CHAIRMAN. I suppose neither of them can help that.

Mr. EDWARDS. No.

The CHAIRMAN. Is it from that fact that you inferred that Mr. Gorman was brought into relations with the sugar trust and Mr. Elkins had relations with the sugar trust?

Mr. EDWARDS. From the fact that it is a matter of common report that Mr. Elkins is interested in the sugar trust.

The CHAIRMAN. Is your statement based upon any other information than common report?

Mr. EDWARDS. No; not from personal knowledge.

The CHAIRMAN. So far as your information goes, is it founded upon the common report of the relationship of these two gentlemen?

Mr. EDWARDS. My personal information is that it is founded upon common report.

The CHAIRMAN. You say that "Brice was associated with them through friendly alliances, and particularly through his friend H. L. Terrell?"

Mr. EDWARDS. That is capable of the same explanation—common report and common information.

The CHAIRMAN. Do you know Mr. Terrell?

Mr. EDWARDS. I do not know him, only have heard of him very often. I know he has an office in New York adjoining Mr. Brice's, and I have often heard him spoken of as Brice's Terrell.

The CHAIRMAN. And upon that you make this statement?

Mr. EDWARDS. Common belief.

The CHAIRMAN. When you say common belief, you mean the opinions of people expressed generally?

Mr. EDWARDS. The same as would lead me to believe that Russell Sage is an owner of the Broadway elevated.

The CHAIRMAN. You say, "At all events the appeal was made to these men for money."

Mr. EDWARDS. That I heard at the time.

The CHAIRMAN. From whom did you hear it?

Mr. EDWARDS. I do not recollect now. Oh, yes; if you will let me refresh my recollection.

The CHAIRMAN. Certainly.

Mr. EDWARDS. (After having referred to notes.) In the early fall of 1892 this same Col. Hoyt of whom I have been speaking told me—and I will give the committee the chance, because I know there is some sworn testimony to corroborate it; Col. Hoyt is dead—told me that there was a very large contribution of money coming into the State of Connecticut, and that it was coming from the sugar people, some of it. I recollect I was impressed, because I heard in the anti-snapper campaign in the spring, and in which I was interested myself because my friends were interested, that there had been a contribution of $10,000 of some gentlemen connected with the sugar-refiners; and the reason was given then. I said, "Are the people in politics?" The answer was, "Not particularly, but because they are intensely interested in Mr. Cleveland and are great friends of his, personally, admirers, and are desirous of his being nominated." That was the first intimation that I had that the sugar people were interested in politics. In September Col. Hoyt said there had been sent into Connecticut $100,000; that Mr. Havemeyer had given one-half and E. C.

Benedict and associates had raised the other half. Then I heard of their earlier contribution to the antisnapper people.

The CHAIRMAN. What we want to know in this matter—somebody must put money into a campaign fund—is not with regard to the Connecticut campaign fund, but the relation of the sugar trust to the administration. You say:

> It will be shown later on that there would be no legislation at the hands of the Democracy which should be antagonistic to the interest of the sugar people.

Upon what do you make that statement?

Mr. EDWARDS. I must state first how the contribution was made.

The CHAIRMAN. I thought you had mentioned that.

Mr. EDWARDS. I mentioned Col. Hoyt. In justice to him, as he is now dead, in corroboration of his statement I refer to one by ex-Governor Waller, of Connecticut.

The CHAIRMAN. A statement made to you by Governor Waller?

Mr. EDWARDS. No; before an investigating committee of the Connecticut legislature, and, my impression is, under oath.

Senator LINDSAY. Governor Tom Waller?

Mr. EDWARDS. Waller. "It is an open secret that the Connecticut central State Democratic committee handled over $100,000 at the last election, and what became of it? Two, three or four rich men contributed most of the money to the Democratic committee; of that $100,000 or more, not one-third went for the honest purpose of political meetings, etc." There is a corroboration of what Col. Hoyt told me, as I understood, made under oath by Governor Waller. At that time the colonel told me that the sugar people were contributing very largely because they were not satisfied that the Democracy was going to save the matter, and also because of one thing which I did not put in there, but I will mention.

The CHAIRMAN. Mention it.

Mr. EDWARDS. They were very much afraid of antitrust legislation being brought up. They desired that they should not be annoyed about it in that way. I think that was the first thing the colonel mentioned. And then he said also, "They do not propose to be bothered about the tariff." I think he said that there was an understanding that there would be some contributions, and they would be protected. There is no doubt of it.

The CHAIRMAN. Did Col. Hoyt tell you the source of his information?

Mr. EDWARDS. No; he did not.

The CHAIRMAN. Did he say anything to lead you to believe that he had direct information that there was such an understanding?

Mr. EDWARDS. My impression was that Col. Hoyt ought to know something about it, because he was a Republican himself, and he had been counsel for a long time for Mr. Havemeyer. I know that point went through my mind at the time.

The CHAIRMAN. Do you suppose that Col. Hoyt, as counsel for Mr. Havemeyer, would disclose to you information that he got from him?

Mr. EDWARDS. No.

The CHAIRMAN. Or disclose what he learned in the relations of counsel to client?

Mr. EDWARDS. No; he would be the last man to do that.

The CHAIRMAN. Then you do not think you got that information from Col. Hoyt and that he got it from Havemeyer?

Mr. EDWARDS. No; as you put it, he did not do that.

The CHAIRMAN. Did he disclose any other source of information?

Mr. EDWARDS. No.

The CHAIRMAN. That is the source of your information that there was a distinct pledge that there would be no legislation at the hands of the Democrats which would be antagonistic to the interests of the sugar people?

Mr. EDWARDS. And that there should also be no anti-trust legislation.

The CHAIRMAN. That is the source of your information?

Mr. EDWARDS. The first source.

The CHAIRMAN. State any other source.

Mr. EDWARDS. I heard, in the course of the campaign, that statement repeated a good many times.

The CHAIRMAN. By whom?

Mr. EDWARDS. That is one of the things that was in the air.

The CHAIRMAN. That was in the air too——

The subscriptions may have been given as individual contributions, but such gift was a pure fiction if it was made in that way. It was a sugar-trust subscription to the national campaign committee in return for pledges which were afterwards insistently demanded to be redeemed.

Now, you stated awhile ago that you did not mean to speak of any contributions from a corporation, but individuals. What do you mean by that?

Mr. EDWARDS. I mean to say that they are subscriptions given by gentlemen connected with the sugar trust, with the understanding that the sugar trust was not to be harassed or annoyed.

The CHAIRMAN. Where did you get that information?

Mr. EDWARDS. Partly from Col. Hoyt and partly rumors in the air, and at both the headquarters.

The CHAIRMAN. You say: "The subscription was the magnificent sum of $500,000." From whom did you get that statement?

Mr. EDWARDS. Several sources.

The CHAIRMAN. State whom, if you recollect.

Mr. EDWARDS. I do not think I can give the name of any individual who told me.

The CHAIRMAN. Have you any direct knowledge of your own?

Mr. EDWARDS. No; no direct knowledge of my own.

The CHAIRMAN. It is what was said by other people, whose names you can not now recollect?

Mr. EDWARDS. Whose names I can not now recollect.

The CHAIRMAN. You say, "A part of this money bought Colorado for the Populists." What do you know about that?

Mr. EDWARDS. I recollect having heard it at the time—this is recollection—that a committee of Colorado Democrats came on to New York that they might see whether it would be well to withdraw their electoral ticket; that if it was withdrawn it would be entitled to legitimate expenses in doing it, because that would be perfectly honorable; and they obtained the money in New York. My recollection is it was a part of the subscription of some of the gentlemen connected with the sugar trust. They went back to Colorado, and the Democratic ticket was withdrawn.

Senator DAVIS. I wish you would name the gentlemen connected with the sugar trust to whom your remarks apply all through here.

Mr. EDWARDS. You mean so far as contributions are concerned?

Senator DAVIS. Named in your preceding testimony.

Mr. EDWARDS. When the sugar trust was mentioned in New York or in political circles the names that were identified with it were those

of Henry O. Havemeyer, Theodore Havemeyer (although in a very much less degree), John E. Searles, jr.; Cord Meyer, jr., and, in a less degree and indirectly, Mr. E. C. Benedict. My own impression is that Mr. Benedict was not actively connected with the sugar trust, except his friendships—not in a business way. The impression in Wall street is that he, as a broker and in other ways, is identified with it.

Senator DAVIS. Where do these gentlemen live?

Mr. EDWARDS. Henry Havemeyer lives in Greenwich, and has a residence in New York. Theodore Havemeyer has a legal residence in New York City and Cord Meyer has a residence on Long Island, I think in Queens County, but I do not remember the township. Queens County is the adjoining county to Brooklyn. Searles, the last I knew of him, had a legal residence in New Haven, Conn., but my impression now is that he now lives in Brooklyn.

Senator DAVIS. Where does Benedict live?

Mr. EDWARDS. Greenwich, Conn. There are other gentlemen associated with the sugar trust, but those are the names most frequently mentioned.

Senator DAVIS. I want the names of those who are associated with the sugar trust; give them and their places of residence.

Mr. EDWARDS. I can not myself give you any more than that.

Senator LINDSAY. Did I not understand you to say formerly that Mr. Elkins was associated with the sugar trust?

Mr. EDWARDS. Mr. Elkins, by popular report, has been not so much interested in the management. That is not my own knowledge, but common report, that he is interested in the sugar trust.

The CHAIRMAN. Do you know anything of this of your own knowledge. Is it not all common report?

Mr. EDWARDS. I think Mr. Havemeyer is; but I do not know of my own knowledge.

The CHAIRMAN. You said a while ago that you knew of his connection with the sugar trust, as you did that Mr. Sage was an owner of the Broadway Elevated?

Mr. EDWARDS. Yes.

The CHAIRMAN. You say:

> The sugar trust believed that the pledges would be kept, and, although many other manufacturing interests in the United States were alarmed by the reports of the purpose of the Ways and Means Committee of the House to bring in a tariff bill revolutionizing the policy of the Government, yet the managers of the sugar trust seemed to be strangely indifferent to the Ways and Means Committee and to what it might propose to do.

When you say that the sugar trust believed that the pledges would be kept, was that from any statement made by any of the gentlemen connected with the sugar trust to you or in your presence?

Mr. EDWARDS. No.

The CHAIRMAN. You say, further:

> When one of these gentlemen was asked if he was not afraid the committee might admit all sugar free, raw and refined, he replied: "We don't care what the House does; we own the Senate and we control the people at the other end of the avenue No bill will become a law which will threaten our business."

Who was the gentleman referred to?

Mr. EDWARDS. I heard last winter that that remark was made b Mr. Cord Meyer, jr. He did not make it to me. I did not hear it ma

The CHAIRMAN. Whom did he make it to?

Mr. EDWARDS. I understood he made it, I think, at the Manhat

The CHAIRMAN. In whose presence?

Mr. EDWARDS. That I do not know.

The CHAIRMAN. Who was your informant?

Mr. EDWARDS. That I do not remember. It was a part of the news of the day and which I gathered at the time. I may have heard it at the Manhattan Club; I do not know.

The CHAIRMAN. Can you recall who told you?

Mr. EDWARDS. No; I can not recall that.

The CHAIRMAN. You say: "One of the leading members of the corporation began to visit Secretary Lamont." Who was that?

Mr. EDWARDS. That was Cord Meyer. That I heard at the same time; in the course of the same conversation.

The CHAIRMAN. And from the one who gave you the other information?

Mr. EDWARDS. Yes.

The CHAIRMAN. Do you make the same reply as to the source of that information?

Mr. EDWARDS. Yes; I do not identify the persons.

The CHAIRMAN. And the whole of that statement rests upon the same authority or want of authority that characterizes the one you were last asked about?

Mr. EDWARDS. Yes.

The CHAIRMAN. You say:

That member of the trust——

referring to the same one who went to Secretary Lamont——

must have received early information of the purposes of the White House end of the avenue, for he came back to New York while the bill was still pending in the mysterious chamber of which Senators Vest, Jones, and Mills alone had the key, and he reported that there was no longer occasion for alarm, that the administration would see to it that Democratic campaign pledges to the sugar trust were not repudiated, and that there would be either no tariff bill at all, or else one with which the trust could find no serious fault.

Mr. EDWARDS. That is a part of the same general conversation with Mr. Meyer.

The CHAIRMAN. And rests upon the same authority?

Mr. EDWARDS. Rests upon the same authority.

The CHAIRMAN. Now, you say in the next paragraph:

The pressure upon the west end of Pennsylvania avenue was not confined to a single member of the administration, Mr. Lamont; it touched every member of the Cabinet, with one exception, and it of course reached Mr. Cleveland, finding him not reluctant.

What is your information about that?

Mr. EDWARDS. My first information about that was something I saw in Harper's Weekly, edited by Carl Schurz. There was a series of articles all pointing that way. This was the beginning of what I refer to. There was one article in which it is stated—

the party is in power, and it is beaten and disgraced by men of its own whom it has honored with Senatorships, and who even sit in the Cabinet of the President, whose vigorous tariff message in 1887 brought the issue directly into the campaign of 1888, 1890, and 1892. It has been forced to surrender by Democratic Senators and at least one Cabinet officer, who have acted as the agents of trusts, or who have been pecuniarily interested in protecting properties or in the sugar-trust securities, whose rise and fall on Wall street must have been most profitable to those who had inside information of what was to be done by the Senate committee or by Senate compromises as to the sugar duty.

Whether that was the identical paragraph that first attracted my attention, I do not know, but it was a long series of articles.

The CHAIRMAN. What other information than that contained in that paragraph did you have of the truth of this statement?

Mr. EDWARDS. I had heard that Mr. Carlisle had asked his assistant Secretary, Mr. Hamlin, about the time the Wilson bill was in transit, or a little after, to have a very accurate and careful schedule passed of the relations of sugar to the tariff bill. Where I heard that I can not identify now.

The CHAIRMAN. The relations to the tariff?

Mr. EDWARDS. The relations of sugar, raw and refined, to the tariff.

Senator LODGE. The amount of money?

Mr. EDWARDS. Yes.

The CHAIRMAN. Is that one of the facts.

Mr. EDWARDS. Yes.

The CHAIRMAN. Did it not strike you that that was a proper thing for the Secretary of the Treasury to do.

Mr. EDWARDS. Of course it was a proper thing to do; otherwise he would not have done it.

The CHAIRMAN. But you say that that is one of the facts upon which you found the statement that the pressure was not confined to a single member of the administration, Mr. Lamont, but touched every member of the Cabinet and reached Mr. Cleveland, who was not reluctant. How does that fact refer to Secretary Carlisle in the statement which you have made?

Mr. EDWARDS. One of several.

The CHAIRMAN. Are you speaking of any improper pressure?

Mr. EDWARDS. No; it is political pressure.

The CHAIRMAN. How does the performance of such a duty by Mr. Carlisle make ground for inference that his performance of it was due to political pressure?

Mr. EDWARDS. Taking some other things into consideration, it would have a tendency to show that the Secretary was interested in that particular thing.

The CHAIRMAN. Can you imagine anything more legitimate in connection with his duties than that he should have relations to so important an article in the tariff bill as sugar, and should get together the information necessary for the Ways and Means Committee?

Mr. EDWARDS. Not unless he made an exception of sugar.

The CHAIRMAN. Did he make an exception of sugar?

Mr. EDWARDS. I do not know; I did not hear. But that was only one statement.

The CHAIRMAN. Go on.

Mr. EDWARDS. I heard, as a part of the rumor at the time, that the Secretary had——

Senator ALLEN. The Secretary of the Treasury?

Mr. EDWARDS. Yes—had given letters of introduction to Mr. Havemeyer for certain Senators. I did not then know who the Senators were; did not pay attention to it except as one of several things. I have since seen an interview in which Senator Mills said he was one of the Senators who received such introduction at the time.

The CHAIRMAN. From whom did you get that information?

Mr. EDWARDS. That was part of the common rumor that we heard in New York.

The CHAIRMAN. It was in the newspapers?

Mr. EDWARDS. In the newspapers.

The CHAIRMAN. Have you given all the facts upon which you draw the inference contained in the paragraph I have just read?

Mr. EDWARDS. I think I have, except we heard in New York almost every day that Mr. Carlisle was very much interested in the sugar schedule; that the Wilson bill had done the sugar interest harm.

The CHAIRMAN. From whom did you hear that?

Mr. EDWARDS. I do not know, it was in the air.

The CHAIRMAN. You say, "The trust sent Senator Brice to the President."

Mr. EDWARDS. He did not state that he sent, but that he went. It was stated in New York that his friends wanted him to go.

The CHAIRMAN. You say here that the trust sent Senator Brice.

Mr. EDWARDS. I say it was information.

The CHAIRMAN. From whom?

Mr. EDWARDS. I can not say.

The CHAIRMAN. Did Senator Brice say so?

Mr. EDWARDS. Brice in his interview said so.

The CHAIRMAN. Said what?

Mr. EDWARDS. That he went to the President.

The CHAIRMAN. And you heard from people whom you can not identify that the trust sent him?

Mr. EDWARDS. Yes.

The CHAIRMAN. You know nothing of your own knowledge of it?

Mr. EDWARDS. Nothing of my own knowledge.

The CHAIRMAN. You say, "He found that Mr. Cleveland was not responsive."

Mr. EDWARDS. That is a paraphrase of mine.

Senator LODGE. You state that there was one member of the Cabinet not approached. Who was that?

Mr. EDWARDS. We heard in New York that it was Secretary Morton.

Senator LINDSAY. At the time that you heard it talked that Mr. Carlisle was taking some interest in the sugar schedule did you not also hear that the complaint was that the Wilson bill, as it passed the House, would not pay revenue enough to pay the expenses of the Government, and from other sources the revenue must be looked to?

Mr. EDWARDS. I did hear that; yes.

The CHAIRMAN. You say:

Mr. Cleveland took, in that interview, nothing but the political and partisan view.

From what do you gather that?

Mr. EDWARDS. The report on Wall street was that Mr. Cleveland believed it would be an injustice to the sugar people to have them submit to a bill like that sent by the Wilson people, and that it was not fair.

The CHAIRMAN. Was that matter of common report or specific information?

Mr. EDWARDS. Common report.

The CHAIRMAN. (Reading.) "He did not particularize, of course, the sugar trust, but he expressed annoyance over the tendency in the Senate, dissatisfaction with the Wilson bill, admitted that mistakes were being made and pledges violated, and spoke of the loss of support to the Democratic party which would be occasioned by the passage of such a bill as the subcommittee of the Senate were reported to be considering."

Mr. EDWARDS. That is matter of common report in New York City. I can not identify the particular individual who told me.

The CHAIRMAN. (Reading.) "There were other evidences that this purely political and partisan pressure was being brought to bear. Sen-

The CHAIRMAN. What other information than that contained in that paragraph did you have of the truth of this statement?

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The CHAIRMAN. (Reading.) "There were other evidences that this purely political and partisan pressure was being brought to bear. Sen-

he repeated it he imposed an obligation on me of confidence not to give it.

The CHAIRMAN. Have you observed it in publishing what he said?

Mr. EDWARDS. It was given to me for publication.

Senator LINDSAY. But the gentlemen who gave you the information is not willing to father it to the public?

Mr. EDWARDS. I infer not.

Senator LINDSAY. He told you at the time that his name was to be concealed?

Mr. EDWARDS. I have been to see him to see if I could use his name, and was told that I was to be held to my obligation.

Senator LINDSAY. Is not the Philadelphia Press one of the papers that is saying that we should hold open sessions and get at the bottom facts?

Mr. EDWARDS. I do not know. I think there has been a general talk about the committee sitting behind closed doors.

Senator LINDSAY. You are one of its correspondents?

Mr. EDWARDS. Yes. My information is, when I was in Washington before, that they almost always sat behind closed doors.

Senator ALLEN. Was this man before the committee at the time that Mr. Carlisle made this statement?

Mr. EDWARDS. I think he was; he must have been.

Senator ALLEN. Was the man a member of Congress?

Mr. EDWARDS. I suppose that is in the nature of cross-examination tending to get me to disclose. But I will say that he is not a member of Congress.

Senator ALLEN. Was he a clerk in the employ of the Government?

Mr. EDWARDS. I ought to draw the line at that question, and I decline to answer it. I do it with respect.

Senator ALLEN. You understand, you have no right to secrete the name of any such person when you are called upon in an examination of this kind. We have a right to demand the name of you. The only shield you have here is you are at liberty not to testify on any subject that would subject you to a criminal prosecution. If the statement does not criminate you under the law, you can not conceal that name. Do you understand that to be the case?

Mr. EDWARDS. I do not.

Senator ALLEN. That is true. Under those circumstances, do you still refuse to disclose the man's name?

Mr. EDWARDS. I think I should like to get the opinion of counsel about that. My sense of honor in regard to that gentleman is so delicate; I want to do what is right; I want to meet my obligation with perfect freedom; and I think if I had understood the matter as the Senator speaks of him I should not have entered into such an obligation.

Senator ALLEN. Is this man whose name you decline to give a clerk of any of the committees in the House, a doorkeeper, or an employé around any of the committee rooms?

Mr. EDWARDS. No; I think not—of the House.

The CHAIRMAN, Or of the Senate?

Mr. EDWARDS. I ought not to answer that, because if I did it would be a practical indication of who the individual is.

The CHAIRMAN. Not necessarily so; you do not disclose his name.

Mr. EDWARDS. I think he is employed in some capacity by the Senate.

The CHAIRMAN. In what capacity is he employed by the Senate?

Mr. EDWARDS. That I do not know.

The CHAIRMAN. Was he employed by that committee to whom these gentlemen belonged, before whom Mr. Carlisle was alleged to have made this statement?

Mr. EDWARDS. That I do not know.

The CHAIRMAN. Did the gentleman inform you that he was present when Mr. Carlisle was reported to have said what he said?

Mr. EDWARDS. I think he was.

The CHAIRMAN. You think he is employed by the Senate?

Mr. EDWARDS. I think so.

The CHAIRMAN. You do not know if he is employed by the Committee on Finance?

Mr. EDWARDS. I do not.

Senator LODGE. Did he give you this information in New York?

Mr. EDWARDS. No; in Washington.

The CHAIRMAN. When?

Mr. EDWARDS. About two weeks ago.

The CHAIRMAN. How long after he alleges Mr. Carlisle made the statement?

Mr. EDWARDS. I understood his testimony was given in February.

The CHAIRMAN. What testimony?

Mr. EDWARDS. Not testimony. That statement was made in February.

The CHAIRMAN. When did this gentleman tell this to you?

Mr. EDWARDS. About two weeks ago.

Senator DAVIS. Whereabouts in Washington did he make the statement?

Mr. EDWARDS. It was in this vicinity; around the Capitol.

Senator DAVIS. Whereabouts in this vicinity?

Mr. EDWARDS. I do not think I could say.

The CHAIRMAN. You do not think you could say, or do not remember?

Mr. EDWARDS. I could not identify the place.

Senator DAVIS. Did you go to him, or did he come to you to impart it?

Mr EDWARDS. I went to him.

Senator DAVIS. Where did you find him?

Mr. EDWARDS. I found him in a room or office—did not pay any particular attention.

Senator DAVIS. In this building?

Mr. EDWARDS. In this building; no.

Senator DAVIS. In what building did you find him?

Mr. EDWARDS. That, I suppose, would identify my informant, if you will let me wait and think that over I will——

Senator DAVIS. We will pass that over. When you went to him was it with any previous understanding or hope on your part that you would get the information?

Mr. EDWARDS. I was instructed to go to him by Mr. Bradford Merrill, editor of the New York Press.

Senator DAVIS. Did he tell you to whom to apply?

Mr. EDWARDS. To whom to apply?

Senator DAVIS. Did you know this man before you saw him?

Mr. EDWARDS. Never met him or saw him before.

Senator DAVIS. Did Mr. Merrill tell you verbally, or by letter?

Mr. EDWARDS. Verbally.

Senator DAVIS. Where?

Mr. EDWARDS. In New York.

Senator DAVIS. Did Mr. Merrill tell you you could get particular information out of this man?

Mr. EDWARDS. He told me he thought the man had information which he could give me.

Senator LODGE. I do not understand from your article or from what you state here that you intend to imply that any representative or any member of the sugar trust was present at this meeting.

Mr. EDWARDS. No; I do not.

Senator LODGE. I understand the substance of that statement to be that the party was an official or semiofficial.

Mr. EDWARDS. I judge it was an informal meeting of the committee.

Senator LODGE. Of some members of the committee?

Mr. EDWARDS. Democratic members.

Senator LODGE. And you understand also that your informant was present?

Mr. EDWARDS. Yes.

The CHAIRMAN. I suppose the statement had better be put into the record of what it is alleged Secretary Carlisle said. It is:

Gentlemen, there is one thing that I am bound to say to you as earnestly and impressively as I can do it, and I speak to you as a Democrat to Democrats. No party or the representatives of no party can afford to ignore honorable obligations. I want to say to you that there seems to be danger that this is going to be done. Gentlemen associated with the sugar-refining interests (I may tell you what perhaps you do not know) subscribed to the campaign fund of the Democratic party in 1892, a very large sum of money. They contributed several hundred thousand dollars, and at a time when money was urgently needed. I tell you that it would be wrong, it would be infamous, after having accepted that important contribution, given at a time when it was imperatively needed, for the Democratic party now to turn around and strike down the men who gave it. It must not be done. I trust that you will prepare an amendment to the bill which will be reasonable, and in some measure satisfactory to these interests.

That is the substance of what Mr. Carlisle had said.

Mr. EDWARDS. That is his remembrance and my remembrance.

The CHAIRMAN. Your remembrance of what your informant said?

Mr. EDWARDS. Yes.

Senator LODGE. I understand, then, that the committee is to understand that Secretary Carlisle was present?

Mr. EDWARDS. Yes.

Senator LODGE. And some or all of the Democratic members of the Finance Committee?

Mr. EDWARDS. Yes; that is my understanding.

Senator LODGE. And that of your informant?

Mr. EDWARDS. And that of my informant. That was my understanding.

Senator LODGE. No one else was present?

Mr. EDWARDS. That is all—not that I heard.

Senator ALLEN. Whom did Mr. Merrill tell you to go to for information?

Mr. EDWARDS. To this gentleman.

Senator ALLEN. Did he tell you where you would find him?

Mr. EDWARDS. Yes.

Senator ALLEN. Where did he say you would find him?

Mr. EDWARDS. That would disclose the man.

Senator DAVIS. I want to be fair with this witness. He has made the point distinctly that upon this line of questions he is entitled to advice of counsel, and before getting that advice he declines to state from whom he got the information.

Mr. EDWARDS. I will put myself in the hands of counsel and be determined by what he will say. I will say to the committee that I will be guided by what my counsel says.

A recess was taken at 1 o'clock p. m. until 2 to give the witness an opportunity to consult counsel.

AFTER RECESS.

The CHAIRMAN. Mr. Edwards, are you prepared to answer the question propounded to you?

Mr. EDWARDS. I have to ask the further indulgence of the committee. Mr. Dittenhoefer, my counsel, is on here from New York. Through some misunderstanding I did not find him at the hotel, the Arlington. Mrs. Dittenhoefer tells me he is here at this end of the Capitol. I would suggest, if agreeable to the committee, that we go on with other matters and give me an opportunity to consult with Mr. Dittenhoefer later.

Senator LODGE. Let us go on with the rest of the article and waive this at present.

The CHAIRMAN. You say:

That, in substance, was the plea of Secretary Carlisle to the members of the Finance Committee, that they respect the obligations entered into by the national campaign committee and the personal representatives of Mr. Cleveland in 1892. It was a plea powerfully put. Mr. Carlisle said but little more; he had said enough. He turned and left the committee, going away with that secrecy with which he came, but before he did so he signified his willingness himself to prepare an amendment which he thought would be fair to the Government, and yet be just to the sugar interests.

What is your authority for that statement, that he went away secretly after signifying his willingness to prepare an amendment?

Mr. EDWARDS. The same as the other.

The CHAIRMAN. You know nothing of it of your own knowledge?

Mr. EDWARDS. Know nothing of my own knowledge.

Senator ALLEN. You got this from the same man?

Mr. EDWARDS. Yes.

The CHAIRMAN (reading). "That very thing he did, not long after." Do you know that of your own knowledge?

Mr. EDWARDS. No.

The CHAIRMAN. You got that from the same person?

Mr. EDWARDS. The same person.

The CHAIRMAN (reading). "The chairman of the Finance Committee received and showed to certain favored friends the draft of an amendment, in Secretary Carlisle's own handwriting, to the sugar schedule, and that draft is in Mr. Voorhees's possession to this day unless he has destroyed it." Do you know that of your own knowledge?

Mr. EDWARDS. Not of my own knowledge.

The CHAIRMAN. Where did you obtain that information?

Mr. EDWARDS. From the same source.

The CHAIRMAN. "Secretary Carlisle had scratched out from the printed schedule the provisions as originally made and by interlineation had inserted the following words: 'On all sugars not above No. 16 Dutch standard and on all'—after the word 'all' the printed form remained in which mention was made of other sugars, and then this interlineation, 'instead of one-eighth of 1 per cent, 45 per cent ad valorem.'" Is that of your own personal knowledge?

Mr. EDWARDS. That is from the same source.

The CHAIRMAN. As the other?

Mr. EDWARDS. Yes.

The CHAIRMAN. And told at the same time?

Mr. EDWARDS. At the same time.

The CHAIRMAN. Part of the same interview?

Mr. EDWARDS. Part of the same interview.

Senator LINDSAY. Before leaving that I want to ask a question. Did this man inform you that Mr. Carlisle scratched out "one-eighth of 1 per cent" and inserted "45 per centum on all sugars;" is that what you understood him to say?

Mr. EDWARDS. Yes; that is what I understood him to say.

Senator LINDSAY. There was no arrangement for any specific tax?

Mr. EDWARDS. My understanding was that the 45 per cent ad valorem covered the sugars.

Senator LINDSAY. That it was 45 per cent straight?

Mr. EDWARDS. Yes, on all sugars.

Senator DAVIS. I understand his understanding was limited by the fact that he took the bill and struck out one-eighth per cent and inserted the straight ad valorem?

Senator ALLEN. Did your informant say that Mr. Carlisle had stricken out the one-eighth per cent?

Mr. EDWARDS. Yes; I understood him to say so. I understood him to say he had stricken out one-eighth of 1 per cent and interlineated so as to make it read all sugars of all kinds 45 per cent ad valorem.

Senator ALLEN. There is 1 mill made to apply to all countries that offer a bounty to exporters of sugar. Is that stricken out?

Mr. EDWARDS. The only thing stricken out was the one-eighth of 1 per cent. That is my recollection.

The CHAIRMAN. You state further:

Upon one occasion there were gathered in a room in a Washington hotel, Mr. Havemeyer, Senator Brice, Senator Smith, of New Jersey; "Brice's Terrell," and one other man, whose name it may be worth while to withhold for the present. At that interview Mr. Havemeyer displayed a great deal of indignation. He rebuked Senator Brice for failing to secure such influence in the Senate as the sugar people expected him to secure. He turned to Senator Smith and asked him bluntly, almost brusquely, what he was going to do to maintain the pledges of the party leaders to the sugar men and to secure a satisfactory schedule.

What is your authority for that statement. Do you know it personally?

Mr. EDWARDS. That I do not know personally.

The CHAIRMAN. What is your authority for it?

Mr. EDWARDS. The first I heard of it was a series of articles in the New York World, published at that time, stating specifically those facts and giving, if I recollect, the number of the room. That is what called my attention first to that matter. Afterward this same authority told me that this story was true.

The CHAIRMAN. Which same authority?

Mr. EDWARDS. The same authority that gave me the information about the Carlisle amendment.

The CHAIRMAN. And the Carlisle speech?

Mr. EDWARDS. The Carlisle speech, that he heard it. I do not think the gentleman knew that of his own knowledge. My impression is that he repeated it as a piece of information he had heard.

The CHAIRMAN. You mean to say this man whose name you refuse to give heard that interview between Havemeyer, Brice, and others?

Mr. EDWARDS. Not with his own ears, but heard it from others.

The CHAIRMAN. Who first told you of it?

Mr. EDWARDS. I saw a number of articles in the New York World about it, and then this man told me.

The CHAIRMAN. This information is gathered from articles in the New York World and afterward from this undisclosed informant?

Mr. EDWARDS. Yes.

The CHAIRMAN. Have you any knowledge except that?

Mr. EDWARDS. Nothing, except an interview reported in the New York Mail and Express, in which it was stated that the original informer was a wire manufacturer in New York City.

The CHAIRMAN. That was after the printing of this article?

Mr. EDWARDS. Yes.

The CHAIRMAN. And that had no connection with your statement?

Mr. EDWARDS. No.

The CHAIRMAN. And could not have had?

Mr. EDWARDS. No, because I think it was printed last Saturday.

The CHAIRMAN. You say upon this occasion that—

There were gathered in a room in a Washington hotel Mr. Havemeyer, Senator Brice, Senator Smith, of New Jersey; "Brice's Terrell," and one other man whose name it may be worth while to withhold for the present.

Who was that?

Mr. EDWARDS. A Mr. Reed, of Boston, whose initials I have forgotten. My information is that he was interested with the sugar people.

Senator LODGE. Do you know his address?

Mr. EDWARDS. I do not know his address. He is in Boston.

The CHAIRMAN. Why did you say in this article that it is worth while to withhold his name?

Mr. EDWARDS. That was a piece of journalism, and had no connection whatever with the story. It was journalistic fiction instead of legal fiction.

The CHAIRMAN. You say:

Here we know that the brokers with whom Senator Brice has been accustomed to commit his speculative interests have been very large purchasers of sugar, and we know also that these brokers had inside information as to the action of the Senate upon the sugar schedule.

You say you know. How do you know?

Mr. EDWARDS. Everybody knew that Moore & Schley, of New York, the brokers with whom Senator Brice has by common report a common understanding, dealt in all his business, were the largest operators in sugar.

The CHAIRMAN. Do you know that yourself?

Mr. EDWARDS. I do not know it legally.

The CHAIRMAN. You know it by public report?

Mr. EDWARDS. As a matter of public understanding on the stock exchange.

The CHAIRMAN. And no other way?

Mr. EDWARDS. No other way. I had no dealings——

The CHAIRMAN. You say further:

On the very day that Mr. Voorhees, the chairman of the Finance Committee, denied in the Senate that any amendments were proposed to the Senate's bill as originally reported by the Finance Committee the list of some 400 amendments, as prepared by Senator Jones, was in the hands of a member of the brokerage firm of Moore & Schley. He had not arisen when it was placed in his hands; he was in bed, for it was early morning.

Is that of your own knowledge?

Mr. EDWARDS. Not of my own knowledge.

The CHAIRMAN. What is your authority for that statement?

Mr. EDWARDS. The authority is the same as that given for what is called the Carlisle amendment.

The CHAIRMAN. This undisclosed man?

Mr. EDWARDS. Yes.

The CHAIRMAN. Who was the member?

Mr. EDWARDS. The Washington member of the New York house.

Senator DAVIS. Do you know his name?

Mr. EDWARDS. I do not. It was mentioned, and I forgot to catch it. I forgot to ask about it afterwards; but he was identified as the Washington representative.

Senator DAVIS. Do you know where the Washington office is?

Mr. EDWARDS. I do not

Senator ALLEN. Do they keep an office here for the purpose of keeping track of legislation?

Mr. EDWARDS. I do not know that they keep it here for that purpose, although the New York brokers have agents here to inform them of those things.

The CHAIRMAN. Then you say this specific statement is from the same authority as the statement made to you by this undisclosed gentleman?

Mr. EDWARDS. Yes.

The CHAIRMAN. The one who gave you the statement in regard to Mr. Carlisle?

Mr. EDWARDS. Yes.

The CHAIRMAN. You say that—

We had, upon the Sunday before the bill as first reported was sent to the Senate, a striking illustration of the absolute domination of the sugar trust over the Democratic members of the Finance Committee. That was an all-day and half-the-night session and upon the Sabbath day. In one room were the Democratic members of the Finance Committee, and also, in the wing of the Capitol, were the representatives of the sugar trust. There were Havemeyer and Terrell and Meyers, Ben Le Fevre, and others. These men sat, as the rulers of a political convention sit, in a place apart and yet within instant communication of those who are to act. There were runnings back and forth between the Finance rooms and the quarters occupied by the trust all day.

Is that statement personal knowledge of your own?

Mr. EDWARDS. It is not.

The CHAIRMAN. Upon what authority is it stated?

Mr. EDWARDS. This same person whom you call undisclosed.

Senator ALLEN. Did he pretend to know that himself?

Mr. EDWARDS. My impression is that he knew all that of his own knowledge.

The CHAIRMAN. Himself?

Mr. EDWARDS. Yes.

The CHAIRMAN. "Everything had been arranged up to the point of satisfying Louisiana Senators. Even the trust realized that it was necessary for the Democratic party to placate these Louisiana men, or else there would surely be two votes against the bill."

Is that statement true, or matter of conjecture by you?

Mr. EDWARDS. I think it is all general statement; I think it is matter of common report.

The CHAIRMAN. "It was a question of compromise, each side giving a little and taking a little. At one time it seemed as though the whole negotiation must go to pieces. Never was there more desperate battle between conflicting interests in the committee rooms of the Capitol. At last, late that evening, Senator Caffery drafted a schedule, Mr. Havemeyer looking over his shoulder, and the other members of

the sugar trust watching the Senator with eyes that fairly glittered, as one Senator who saw that spectacle afterwards reported."

Do you know that personally?

Mr. EDWARDS. I do not know that personally.

The CHAIRMAN. What is your authority for it?

Mr. EDWARDS. The same as the other, this undisclosed informer.

The CHAIRMAN. "It was the crucial moment. When Senator Caffery had finished, the sugar trust, read his draft, reluctantly accepted it, it was taken to the room of the Finance Committee and there accepted, the victory won, and the original draft is still in the possession of the committee, in Caffery's handwriting and with the approving marks of the sugar trust upon it."

Do you know that of your own knowledge?

Mr. EDWARDS. I do not know that of my own knowledge.

The CHAIRMAN. What is your authority for that statement?

Mr. EDWARDS. The same as the others.

The CHAIRMAN. This undisclosed informant?

Mr. EDWARDS. Yes.

The CHAIRMAN. "It was after this was done that word was brought to New York and confidential information given to a company of conspicuous Democrats that the sugar trust had clinched the Senate, and that their interests were now protected, whatever was done by the Senate." What is your authority for that statement?

Mr. EDWARDS. I heard something of that kind. I do not know the source of the information. It is a report that was brought to New York. It is one of those things that passes around from mouth to mouth and came to my ears.

Senator ALLEN. Did your informant say in what room, on the Sabbath mentioned, were Mr. Havemeyer and these representatives of the sugar trust—what room in the Capitol?

Mr. EDWARDS. I understood it was a room near to, if not adjacent to, the Finance Committee room. Perhaps it was on the opposite side of the corridor. It was within one or two moments' communication; I recollect that.

Senator ALLEN. Did your informant give you the names of all the different persons in these different rooms?

Mr. EDWARDS. He did not say all; he mentioned the names I have mentioned there.

Senator ALLEN. Did he say there were any persons besides the Senators and the members of the sugar trust?

Mr. EDWARDS. No; I think not, excepting their attorneys, Mr. Le Fevre and Mr. Terrell.

The CHAIRMAN. You say there were Havemeyer, Terrell, Ben Le Fevre, and others?

Mr. EDWARDS. I have also mentioned Mr. Reed.

The CHAIRMAN. Do you know Mr. Havemeyer personally?

Mr. EDWARDS. I do not know him personally.

The CHAIRMAN. Do you know Mr. Terrell personally?

Mr. EDWARDS. I do not.

The CHAIRMAN. Do you know Mr. Meyer personally?

Mr. EDWARDS. I do not.

The CHAIRMAN. Do you know Ben Le Fevre personally?

Mr. EDWARDS. I do, personally.

The CHAIRMAN. Is he the gentleman who is in New York?

Mr. EDWARDS. Yes; he was for ten or twelve years. He is now a lawyer in New York.

Senator ALLEN. Where did you say your informant claimed to be?

Mr. EDWARDS. He did not tell me.

Senator ALLEN. He claimed to have seen it?

Mr. EDWARDS. He saw it.

Senator ALLEN. Was he in this Finance Committee room or the room adjacent, where the members of the sugar trust were?

Mr. EDWARDS. He did not state; he just said that he saw.

Senator ALLEN. Did he state to you in what capacity he was there?

Mr. EDWARDS. No, he did not.

Senator ALLEN. Do you know in what capacity he was acting there at that time?

Mr. EDWARDS. No; I do not.

Senator ALLEN. Did you know from him, or from seeing him perform certain duties, what he was doing?

Mr. EDWARDS. No.

Senator ALLEN. How long had you been acquainted with this man who informed you of this?

Mr. EDWARDS. I never was acquainted with him.

Senator ALLEN. Never saw him before?

Mr. EDWARDS. Never saw him before—not knowingly. I may have seen him when I was in Washington.

Senator ALLEN. Have you seen him to-day?

Mr. EDWARDS. I have not.

Senator ALLEN. Have you seen him within the last week?

Mr. EDWARDS. I have not.

Senator ALLEN. Or had any communication from him?

Mr. EDWARDS. Not at all; not the slightest.

Senator LODGE. Do you know Mr. Benedict?

Mr. EDWARDS. I have met Mr. Benedict once; was introduced to him. I saw him on the street, but I can not say that I am acquainted with him.

The CHAIRMAN. This letter, with the exception of the information which you got from your undisclosed informant, was made up from matters which you say were common knowledge and things that were in the air, and not from personal knowledge given to you by any person whom you could identify?

Mr. EDWARDS. No; that is strictly the truth.

Senator LINDSAY. Except Col. Hoyt, who is dead?

Mr. EDWARDS. Yes; I should not have mentioned Col. Hoyt, except that one of his statements is corroborated by Governor Waller.

The CHAIRMAN. How long has Col. Hoyt been dead?

Mr. EDWARDS. He died in April, I think. I was pallbearer at his funeral. It was some time early in April.

The CHAIRMAN. He was a lawyer?

Mr. EDWARDS. He was a lawyer, quite a prominent lawyer of Connecticut.

Senator LINDSAY. In this conversation reported by this undisclosed informant, did he say that Mr. Carlisle did or did not express an interest in the sugar-planting people of Louisiana?

Mr. EDWARDS. I do not think that was mentioned. I have no recollection about that, and yet it may be that it was. I do not recollect that it was or was not.

Senator LINDSAY. You know as a fact that the House bill had repealed the bounty of 2 cents a pound to the sugar-grower, and has left sugar without any bounty at all?

Mr. EDWARDS. I know that to be a fact.

Senator LINDSAY. Is it not a fact that this informant told you that Mr. Carlisle put these sugar refiners on the same footing as the sugar-growers of Louisiana?

Mr. EDWARDS. No; he did not say that at all.

Senator LINDSAY. What did he say?

Mr. EDWARDS. He simply stated that Mr. Carlisle had presented a memorandum to the committee, or certain erasures of an amendment or interlineations, providing for a duty of 45 per cent on all sugars.

Senator LINDSAY. And with the erasure of one-eighth of 1 cent per pound on sugar?

Mr. EDWARDS. Yes; I think that he said there was another interlineation or rather an addition, providing that the reciprocity treaty with Hawaii should be preserved in spite of any other thing.

SWORN TESTIMONY OF JOHN S. SHRIVER.

The CHAIRMAN. How old are you?

Mr. SHRIVER. I am 36.

The CHAIRMAN. Where do you live?

Mr. SHRIVER. My legal residence is Baltimore, but I live in Washington.

The CHAIRMAN. What is your business?

Mr. SHRIVER. Newspaper man.

The CHAIRMAN. In what way are you a newspaper man?

Mr. SHRIVER. I am Washington correspondent of the New York Mail and Express.

The CHAIRMAN. There is an article in the New York Mail and Express of last Saturday, May 19, 1894—a letter, I should say, which I have in my hand. Was that written by you?

Mr. SHRIVER. Yes.

The CHAIRMAN. In it you say:

> Just here it may be well to give a little incident in the proceedings of the last few weeks in which the sugar trust has taken such a prominent part. The headquarters of the officials of the trust have been in a certain room in the Arlington Hotel. The night the celebrated demand was made on the Democratic Senators that the trust must be cared for or the Wilson bill would be killed, there happened to be in the next room to the sugar trust parlor a wire manufacturer from a place not far from New York. He had come to Washington to try to induce the Senate Finance Committee to change its schedule in which he was interested, and, worn out with his vain attempts to secure an audience with the Democratic "triumvirate" in charge of the bill, he had retired to his room.
>
> He had hardly sought his bed before the loud talking in the sugar trust parlor attracted his attention. He tried to sleep, but slumber was impossible. The voices next door grew louder and more violent as the night proceeded. He distinctly distinguished the voices of several Democratic Senators whom he knew, and also those of the sugar trust magnates. It was nearly morning when the conference broke up and the wire manufacturer was allowed at last to fall asleep. He did not, however, remain in bed long after the sun was up, because what he had heard seemed to him too good news.
>
> Bright and early he was down in the lobby of the hotel and telling his friends, among them a couple of Congressmen, that he knew the Wilson bill would never pass. He made no secret of how he got his information, and even told the names of the Senators who had been in the room next to him nearly all night. The wire manufacturer did not linger about Washington, but returned to his home fully satisfied that there was no use for his remaining any longer to see the Democratic Finance Committee.

That is in your letter. Do you of your own knowledge know the facts therein stated?

Mr. SHRIVER. The story was told to me.

The CHAIRMAN. I first ask you, do you of your own knowledge know the facts therein stated?

Mr. SHRIVER. No.

The CHAIRMAN. What is your authority for that statement?

Mr. SHRIVER. A Congressman, member of the House.

The CHAIRMAN. Did he tell you this?

Mr. SHRIVER. Yes; that he was told by this wire-manufacturer.

The CHAIRMAN. What is the Congressman's name?

Mr. SHRIVER. I am requested by the Congressman not to reveal it.

The CHAIRMAN. But we want you to reveal it.

Mr. SHRIVER. He has requested me not to do it. He gave me the story for publication, never thinking anything would come of it. When I spoke to him about having been spoken to by members of the committee in regard to it, he said he did not wish to be brought into the matter, and requested me not to give his name.

Senator LODGE. Do you know the name of the wire-manufacturer?

Mr. SHRIVER. Yes.

The CHAIRMAN. What is his name?

Mr. SHRIVER. The Congressman does not desire me to give that either.

Senator DAVIS. Is the Mail and Express advocating that this investigation be held with open doors?

Mr. SHRIVER. Yes.

Senator DAVIS. This investigation is predicated of this article. You have no excuse not to disclose these names—legal excuse—except that it will criminate you. I do not understand you put your hesitation to answer upon the ground that you will be criminating yourself.

Mr. SHRIVER. Not at all. But it is this: A newspaper man considers, when information is given to him in confidence, he should not violate the confidence.

Senator DAVIS. A newspaper man should consider the law also, and the law says you must make these disclosures, unless they tend to criminate you.

The CHAIRMAN. You say:

> There are a number of Senators who will be glad if this investigation should fail, simply because then they could charge the correspondents with circulating scandalous reports and have another chance to denounce the press upon the floor of the Senate. But if the newspaper men are given a chance to tell all they know some interesting developments will be made.

Did you write that?

Mr. SHRIVER. Yes. You know when a newspaper man is told a thing he is generally supposed to hold the confidence of the man. I have been a newspaper correspondent in Washington for ten years. I think I hold the confidence of a good many members, because I never violated their confidence. I think there are things, if I should give my authority, at times it would lessen me in their opinion and prevent me carrying on my business. And this is a case where I have requested the Congressman to use his name, and he declines to allow me to do it.

The CHAIRMAN. You make the charge in this paper: "If the newspaper men are given an opportunity to tell all they know some interesting developments will be made." How can we make the investigation if you refuse to tell?

Mr. SHRIVER. I can say that the wire manufacturer was in the hotel on two days, March 6 to the 9th, and occupied a certain room, and on the 8th to the 10th of May, the rooms occupied at one time being 47 and 33.

Senator DAVIS. Did he register?

Mr. SHRIVER. He registered one time, I know. Mr. Terrell occupied a room next to him during one of his visits there.

The CHAIRMAN. How did you ascertain that?

Mr. SHRIVER. I ascertained that from the records of the Arlington Hotel. I do not think you will find Mr. Terrell's name on the register of the Arlington; I am not certain about that.

The CHAIRMAN. That does not throw much light on this investigation, the number of the rooms occupied by this undisclosed person, though it might give us a clue as detectives to get at it in an inferential way. Here is a definite statement made by you in print in a paper of large circulation and established reputation, and when we ask you if that statement is made upon your own knowledge, you say no. When we ask you on whose authority it is made, you tell us it is made on the authority of a certain Congressman, whose name you do not disclose.

Mr. SHRIVER. Yes; and another newspaper man.

The CHAIRMAN. Who is the other newspaper man?

Mr. SHRIVER. Harry W. Walker.

The CHAIRMAN. What paper is he correspondent for?

Mr. SHRIVER. The Daily America, of New York, and the St. Louis Post-Dispatch.

The CHAIRMAN. Do you know whether he wrote this matter up?

Mr. SHRIVER. I am not certain. The Congressman told us at the same time. The Congressman further said that the wire manufacturer had come to him the morning afterward, put his hand on his shoulder, called him by name, and said: "There is no use of my staying longer; the tariff bill is dead; I overheard a conversation last night"——

Senator LODGE. The tariff bill, or the Wilson bill?

Mr. SHRIVER. The Wilson bill. "I overheard a conversation in a room last night between sugar men and Senators." I may be mistaken in that report that he mentioned the names of Senators. But he mentioned the name of one Senator, according to the Congressman's account.

The CHAIRMAN. And not Democratic Senators?

Mr. SHRIVER. Yes. Another-named Senator was mentioned; but when asked if he was there, the wire manufacturer said he did not think he was, because he did not recognize his voice. He knew the Senator, I think, but he did not recognize his voice.

The CHAIRMAN. You say here he clearly distinguished the voices of several Democratic Senators whom he knew?

Mr. SHRIVER. I say now that I may be mistaken in that one point, as to his naming Democratic Senators. In the first place, I understood the wire manufacturer to have said it was Democratic Senators.

The CHAIRMAN. Did the Congressman give you the names of the Senators?

Mr. SHRIVER. He gave me one name as mentioned by the wire manufacturer. That is what the Congressman told me. I have mentioned no names in the article.

Senator LINDSAY. When the Congressman told you this, did he know you were going to publish it?

Mr. SHRIVER. I think so.

Senator LINDSAY. Did he tell you this for the purpose of its being published?

Mr. SHRIVER. Yes; as an item of news.

Senator DAVIS. He knew you were a correspondent?

Mr. SHRIVER. Yes.

Senator LINDSAY. Did he ask you at that time not to give his name?

Mr. SHRIVER. Yes; to the best of my recollection.

Senator LINDSAY. Was that in answer to a statement on your part that you expected to publish it?

Mr. SHRIVER. He mentioned that on his part. He did not want to be mixed up in the matter. This thing was mentioned to him. The conversation occurred in March.

The CHAIRMAN. The conversation with you?

Mr. SHRIVER. No; the wire manufacturer.

The CHAIRMAN. When did it occur with you?

Mr. SHRIVER. Thursday; over a week ago.

The CHAIRMAN. Have you seen him since?

Mr. SHRIVER. Yes; several times. I saw him in regard to the matter, and he gave me further details, and told me under no circumstances to mention his name.

Senator LINDSAY. You made this publication implicating Senators in what you intended to be regarded as a dishonorable transaction upon the authority of a Congressman who had enjoined you not to give his name, whose name you agreed not to give, and yet in that same article you challenge investigation by the Senate and state if newspaper correspondents were given a chance some interesting developments would be made.

Mr. SHRIVER. The investigation was not ordered at the time I wrote that article.

Senator LINDSAY. And after you had agreed to do the thing you now state you are under obligations of honor not to do?

Mr. SHRIVER. Yes; unless the man will release me.

Senator LINDSAY. Do you regard it as proper to give out reports that are untrue and slanderous?

Mr. SHRIVER. I regard this as true, given on the word of a Congressman, and I verified the fact that the wire manufacturer was in the house.

Senator LINDSAY. But you did not give the name.

Mr. SHRIVER. No; if I should give the name I would violate the confidence of the Congressman.

Senator LINDSAY. Do you regard that as dishonorable?

Mr. SHRIVER. No; because you can summon the wire manufacturer.

The CHAIRMAN. But the Congressman asked you not to disclose the name of the wire manufacturer.

Mr. SHRIVER. At the present time, yes.

The CHAIRMAN. And you feel in honor bound not to disclose it?

Mr. SHRIVER. Yes.

The CHAIRMAN. But yet you will give us information indirectly that will aid us in getting that name?

Mr. SHRIVER. I think if you get it that way, without my giving it or implicating the Congressman, it would be all right.

The CHAIRMAN. Do you not consider that you are giving us the name when you put us in the way of getting it? Are you observing the obligation that the Congressman imposed upon you when you give us the information that will lead to the ascertainment of the name of the wire manufacturer?

Mr. SHRIVER. I give you the facts on which I found my article.

The CHAIRMAN. What facts?

Mr. SHRIVER. That the man was there. If I had not verified them I do not think I would have published them.

The CHAIRMAN. What did you verify?

Mr. SHRIVER. The fact that the wire manufacturer was there and occupied the room at the time.

The CHAIRMAN. You did not believe the statement. We do not care what rooms the wire manufacturer occupied; we are concerned in your statement here as coming from a wire manufacturer. What did you do to verify that statement?

Mr. SHRIVER. I give you the words of the Congressman, and I tell you the wire manufacturer was in the house at the time, and occupied the rooms down near Mr. Terrell's name.

The CHAIRMAN. I understood you to say that you did not think Mr. Terrell was registered?

Mr. SHRIVER. I do not think any of the gentlemen were registered.

The CHAIRMAN. How can we find out which room he occupied?

Mr. SHRIVER. The way I found out. There are other records.

The CHAIRMAN. What are they?

Mr. SHRIVER. I think that there is a cashier's book that shows.

Senator DAVIS. Did you have access to that?

Mr. SHRIVER. I found out.

Senator DAVIS. How did you find out what room Mr. Terrell occupied?

Mr. SHRIVER. I asked and it was given me.

Senator LINDSAY. You asked whom?

Mr. SHRIVER. The Arlington Hotel.

Senator LINDSAY. The Arlington Hotel is rather an indefinite quantity

The CHAIRMAN. Might you not as well give us the name directly as to put us in the way of finding out? Would not that be as consistent with your obligation to the Congressman as to give us clues by which we will find it out? Why will not one be as consistent with your obligation as the other?

Mr. SHRIVER. Because the Congressman has asked me particularly not to give his name, and made me promise that I would not give it. I know the numbers of the rooms and the dates, and I understand the wire-manufacturer was there. You can summon the wire-manufacturer direct.

Senator LINDSAY. You consider it no breach of faith to give us the means of finding out the name of the wire-manufacturer, but you think it would be dishonorable to give us the name itself? Is that your idea of honorable conduct?

Mr. SHRIVER. I promised that I would not give the name.

Senator LINDSAY. You are a member of the press, you have a seat in the press gallery of the Senate, you enjoy the benefits resulting from that, and you write these articles implicating the good character of a Senator and decline to give the information upon which you base it?

Mr. SHRIVER. I stated that the information was given me on the authority of a Congressman.

Senator LINDSAY. If we had this Congressman's name, we could summon him and find out what he knows; and if we had the wire-manufacturer's name we could summon him and find out what he knows, and get at the facts, instead of taking newspaper rumors and the statements of a man who declines to give the facts, but publishes articles villifying Senators. I understand you decline to answer the question of the committee?

Mr. SHRIVER. At present; yes.

The CHAIRMAN. Do you wish more time to consider the matter, to consult counsel?

Mr. SHRIVER. I decline to give the name at present, because I have been requested not to do so, not only sometime ago but even to-day.

Senator LINDSAY. Do you regard it as your duty not to do so?

Mr. SHRIVER. As a newspaper man I regard it as my duty not to give the name of the party who informed me.

Senator LINDSAY. Without regard to the law of the case at all?

Mr. SHRIVER. It is part of my business. If I am known around here as a man who violates confidences, I am sure my usefulness as a newspaper man or gatherer of news would cease.

Senator DAVIS. Is that any more grave than to write these articles about Senators and request the opportunity to testify, and then decline to afford the information which you have requested the opportunity to produce?

Mr. SHRIVER. I have given my authority in that article.

The CHAIRMAN. You say in another part of this letter:

The reason a good many Senators do not fear any results from the coming investigation is that precedent in this regard has shown that such investigations rarely amount to anything.

Mr. SHRIVER. I have quoted a couple of investigations that have not.

The CHAIRMAN. Why do they not amount to anything?

Mr. SHRIVER. Because the newspaper men who have been examined have not; well, they have not amounted to anything.

The CHAIRMAN. Why?

Mr. SHRIVER. Because they have not been able to get the facts.

The CHAIRMAN. Do you intend in that sentence to have it implied that the reason such investigations amount to nothing is because newspaper men will not disclose the authority for their statements?

Mr. SHRIVER. I do not know. I think it has been shown that the newspaper men who hitherto have been called have not been able to give the names because they have not been bound—have not been able to give their authority.

The CHAIRMAN. And you mean to imply here—that is the ordinary meaning of what you have said—that the reason why such investigations do not amount to anything is because those conducting them do not intend them to amount to anything?

Mr. SHRIVER. No; because they have not been able to amount to anything; could not get the information they desired.

The CHAIRMAN. You have not stated that.

Mr. SHRIVER. Not by any means. But I think all investigations that have been conducted have been all with a desire to gain something. The particular investigation that I referred to, the executive-session investigation, went on for some time and nothing came of it.

The CHAIRMAN. You say:

They remember how great was the hubbub over the silver pool in the Fifty-first Congress, and how, just when it seemed as if Don Cameron was about to be placed in a very awkward position, the committee adjourned and the next day he was elected U. S. Senator by the Pennsylvania legislature. The investigation did not have any startling results.

What do you mean by that?

Mr. SHRIVER. At the time Senator Cameron was on the stand, just about the time his testimony was being taken, in which some points were being brought out, according to record the committee adjourned and Mr. Cameron was elected by the legislature.

The CHAIRMAN. Do you mean it to be inferred that the committee adjourned for the purpose of allowing Mr. Cameron to be elected?

Mr. SHRIVER. No; I do not mean anything by it; I just state the facts.

Senator LINDSAY. Do you mean it to be inferred that the further *investigation* was abandoned because Mr. Cameron was elected?

Mr. SHRIVER. No. The article said that nothing came out of it.

Senator ALLEN. Do you think it a part of your duty as a newspaper man when you get hold of a story of that kind which implicates or renders greatly suspected certain members of the U. S. Senate to publish it?

Mr. SHRIVER. On the authority I had.

Senator ALLEN. I asked a plain question. Do you think it is your duty when you get hold of a charge of that kind to publish it?

Mr. SHRIVER. I do.

Senator ALLEN. You also think it proper to state in that article that if the newspaper men were given an opportunity to tell all they know some interesting developments would be made?

Mr. SHRIVER. Well, I have told all I know.

Senator ALLEN. Do you think it proper to make that statement in connection with your story?

Mr. SHRIVER. Yes; if the newspaper men will tell all they know.

Senator ALLEN. Having told the story and made that comment, which intimates so plainly that if an opportunity were given truth would be discovered, you think it is in perfect keeping with that, and also the criticisms of the press on the committee in regard to getting at the truth, to come up here and refuse to give us any assistance whatever in probing this matter?

Mr. SHRIVER. I have given you the story as I got it.

Senator ALLEN. I am not asking you now about your story. I am asking you if you think those three positions are all right, and all right at the same time?

Mr. SHRIVER. I think I have given as much as I know in the story except the name of the Congressman, and I have given you an intimation in regard to the wire-manufacturer by which you can identify him.

Senator ALLEN. You have given everything except the point that will aid the committee in its investigation?

Mr. SHRIVER. I have given aid to the committee. All you have to do is to investigate, and you will find the man's name; it is easy enough.

Senator LINDSAY. Why not give the man's name if it is easy to be found?

The CHAIRMAN. Why would it be certain, if we turned ourselves into detectives and went to the Arlington Hotel and inquired whether a wire-manufacturer had at an indefinite time this spring registered or stayed at that hotel, that that would be the right man?

Mr. SHRIVER. I think the fact that a man was in the hotel at a certain date, in a certain room, would identify him.

The CHAIRMAN. Might it not be some other wire manufacturer?

Mr. SHRIVER. Not in that room.

Senator DAVIS. You went down to the hotel, examined the register, and found a certain name on the register for that room on that day?

Mr. SHRIVER. I knew the name of the wire manufacturer.

Senator DAVIS. You examined the register?

Mr. SHRIVER. I found out the other way before I examined the register. The register goes back to March 30.

Senator DAVIS. Did you see the wire manufacturer's name for that room?

Mr. SHRIVER. I saw a man's name on the register, and I think May 8 to 10.

Senator LODGE. You mean March?

Mr. SHRIVER. No; May, because the register only goes back to March 30.

Senator LODGE. What name was it you read on that book?

Mr. SHRIVER. I got that from the Congressman.

Senator LODGE. Tell us the name that you got on that book?

Mr. SHRIVER. It is the same thing.

Senator LODGE. Tell us the name you read on that book?

Mr. SHRIVER. I think that would be the same thing.

The CHAIRMAN. You say that he registered on the date of May 8?

Mr. SHRIVER. This was the second visit that the man made. The register does not go back of March 30.

The CHAIRMAN. When did this Congressman tell you the conversation occurred?

Mr. SHRIVER. Early in March. He did not recollect, but the record shows that he was there from the 6th to the 9th.

Senator LINDSAY. What record?

Mr. SHRIVER. The hotel record.

Senator LINDSAY. The register?

Mr. SHRIVER. No.

The CHAIRMAN. Whom do you mean, the wire manufacturer?

Mr. SHRIVER. Yes. He occupied a room by Mr. Terrell's, who was there from March 2 to 19.

Senator LINDSAY. These are the private records of the hotel to which you refer, and not the public?

Mr. SHRIVER. No; I do not think they are.

Senator LINDSAY. You live at the hotel?

Mr. SHRIVER. I take my meals there. I have been there for four years.

Senator LINDSAY. Then the only way in which a Congressional committee can get at that is through the good nature of the people there to allow the committee to investigate their private books?

The CHAIRMAN. And then draw the inference, because it would be more or less inference, that the name they acquired was the right name.

Senator LINDSAY. And you think that is putting us on notice how to get the name of the person whose name you decline to give us?

Mr. SHRIVER. Decline at present; yes.

The CHAIRMAN. We would like you to give us the name of that Congressman.

Mr. SHRIVER. I would like myself to do so. Personally, nothing would suit me better, and I thought at first that I could do so.

Senator LODGE. Was this wire manufacturer from New York?

Mr. SHRIVER. No.

Senator LODGE. You say he came from near New York?

Mr. SHRIVER. State near New York.

Senator LINDSAY. How near?

Mr. SHRIVER. Well, between this District and New York.

Senator LINDSAY. New Jersey?

Mr. SHRIVER. No. I do not think I need hesitate; it was Pennsylvania.

Senator LINDSAY. Philadelphia?

Mr. SHRIVER. No.

The CHAIRMAN. Shall we give Mr. Shriver time to consider this matter?

Mr. DAVIS. I think so.

Mr. Edwards appeared with his counsel, Mr. A. J. Dittenhoefer, who requested that he be given until to-morrow morning to examine the authorities, in order that he might advise his client touching his rights; which request was granted.

SWORN TESTIMONY OF HARRY W. WALKER.

The CHAIRMAN. What is your age?

Mr. WALKER. I am 34.

The CHAIRMAN. Where is your residence?

Mr. WALKER. My home is in New York, although I am stationed here.

The CHAIRMAN. And your occupation?

Mr. WALKER. A newspaper man.

The CHAIRMAN. Newspaper correspondent?

Mr. WALKER. Yes.

The CHAIRMAN. For what paper, or papers, are you a correspondent?

Mr. WALKER. The St. Louis Post-Dispatch, Daily America, of New York, and the Wall Street News Agency, a commercial paper.

The CHAIRMAN. In the Mail and Express, of New York, on Saturday, in a letter from Washington, by Shriver, appears the following:

Just here it may be well to give a little incident in the proceedings of the last few weeks in which the sugar trust has taken such a prominent part. The headquarters of the officials of the trust have been in a certain room in the Arlington Hotel. The night the celebrated demand was made on the Democratic Senators that the trust must be cared for or the Wilson bill would be killed, there happened to be in the next room to the sugar-trust parlor a wire manufacturer from a place not far from New York. He had come to Washington to try to induce the Senate Finance Committee to change its schedule in which he was interested, and worn out with his vain attempts to secure an audience with the Democratic "triumvirate" in charge of the bill he had retired to his room. He had hardly sought his bed before the loud talking in the sugar-trust parlor attracted his attention. He tried to sleep, but slumber was impossible. The voices next door grew louder and more violent as the night proceeded. He distinctly distinguished the voices of several Democratic Senators whom he knew and also those of the sugar-trust magnates. It was nearly morning when the conference broke up and the wire manufacturer was allowed at last to fall asleep. He did not, however, remain in bed long after the sun was up, because what he had heard seemed to him too good news.

Have you read that article, that part to which I refer?

Mr. WALKER. Yes; I read it Saturday.

The CHAIRMAN. Mr. Shriver says you were there when that was communicated to him.

Mr. WALKER. Yes.

The CHAIRMAN. Were you?

Mr. WALKER. Yes.

The CHAIRMAN. Where?

Mr. WALKER. At dinner at the Arlington.

Senator LODGE. Did you also publish it in your paper?

Mr. WALKER. No.

The CHAIRMAN. Where were you?

Mr. WALKER. At the Arlington hotel at dinner.

The CHAIRMAN. Was it communicated to you as well as to Mr. Shriver?

Mr. WALKER. We were all around the table together. It was said for the benefit of us all.

The CHAIRMAN. Who was it made the statement?

Mr. WALKER. That I am not at liberty to tell.

The CHAIRMAN. Why?

Mr. WALKER. The gentleman gave it in confidence.

Senator LODGE. Who told you—a member of Congress or the wire manufacturer himself?

Mr. WALKER. A member of Congress.

The CHAIRMAN. Did you see the person who was alluded to here as having his room next?

Mr. WALKER. I do not know him at all. I may know him by sight.

The CHAIRMAN. Did you hear his name?

Mr. WALKER. Yes.

The CHAIRMAN. What is it?

Mr. WALKER. That I do not think I should give.

The CHAIRMAN. Did you publish it?

Mr. WALKER. No; I did not understand that it was given to me for that purpose.

The CHAIRMAN. And you did not feel authorized to publish it?

Mr. WALKER. No; although I have printed statements on that line.

The CHAIRMAN. You did not consider it anything new?

Mr. WALKER. No; it was old in a news sense.

The CHAIRMAN. But you did not consider that the statement that was made upon the authority of which this story has been predicated was for publication?

Mr. WALKER. That I do not know. I can not say positively as to that. I would not have published it without going back and asking this gentleman's permission.

The CHAIRMAN. Were you pledged not to give the name of the gentleman?

Mr. WALKER. Yes.

The CHAIRMAN. And the person who was referred to here as a wire manufacturer?

Mr. WALKER. Yes.

Senator LODGE. You say it was old?

Mr. WALKER. Yes; well, not old in that particular incident, but on that line.

Senator DAVIS. That about the wire manufacturer was not old?

Mr. WALKER. No; I do not think I should have published it on my own authority. I thought as I was printing these charges for the last six months it was not necessary.

Senator LODGE. I would like to ask one or two questions. You say in the same line?

Mr. WALKER. Yes.

Senator LODGE. Will you kindly explain what you mean by that?

Mr. WALKER. I have been printing these sugar articles ever since the bill was in the Ways and Means Committee. I had printed them over my own signature. They came to me direct, and I did not think it was necessary to take this from somebody else, because I thought those who read my articles would take my word, and it was like doubting my word to quote somebody else.

Senator LODGE. By sugar articles what do you mean?

Mr. WALKER. Printing about the trust.

Senator LODGE. Then the part you refer to as old is the statement that there were Senators meeting with the sugar-trust representatives?

Mr. WALKER. Yes; I have been printing that time and again.

Senator LODGE. Did you know that of your own knowledge?

Mr. WALKER. I have seen Senators go upstairs with gentlemen who, I was told, were members of the trust, and go to Mr. Havemeyer's room. And one time a Senator's card was sent up. Then people around the hotel where a good deal of this happened know me and told me. I was not in the room.

Senator LODGE. You say you have seen Senators go up there?

Mr. WALKER. A certain Senator particularly.

Senator LODGE. Who was that?

Mr. WALKER. Senator Brice.

The CHAIRMAN. When?

Mr. WALKER. I have seen it repeatedly while the bill was before the Finance Committee.

The CHAIRMAN. Go up where?

Mr. WALKER. In company with Mr. Terrill and Mr. Reed—that is, I have seen them in the elevator—and then, of course, I have questioned other people about the hotel—employés, and talked with Mr. Roessle, the proprietor, and putting this altogether I thought it was a very safe conclusion to reach.

Senator LODGE. That they had this conference?

Mr. WALKER. Yes. Then I have heard little things at the telephone. It is a public telephone. If you are in the office you can not help hearing it. The telephone is at the cigar counter. After the message was sent, these various people would appear immediately.

Senator LODGE. Did you see any other Senators go up with the people of the sugar trust?

Mr. WALKER. No; I saw no other Senator going out in company with Brice. I have heard Mr. Roessle talk about slipping them up the back way, up the elevator.

Senator LODGE. Other Senators?

Mr. WALKER. Yes.

The CHAIRMAN. Who?

Mr. WALKER. Mr. Roessle never went into that.

The CHAIRMAN. Never stated the names?

Mr. WALKER. No.

Senator LODGE. Who is Roessle? What is his full name?

Mr. WALKER. Theodore. Then I have seen Mr. Bennett talk to members of the trust and telephone, and heard them talk and go up stairs; and I have seen Senators come in the ladies entrance, and then I have seen representatives of the trust. I have never said anything of the happenings in the room in any report that I have made, except about Senator Brice. I have mentioned about go-betweens in the trust who would go to Senators, one besides Senator Brice.

Senator LODGE. Who was that Senator?

Mr. WALKER. Senator Vest.

Senator LODGE. Who was the go-between?

Mr. WALKER. Joe Rickey.

The CHAIRMAN. Did you see Mr. Rickey and other members of the trust with Senator Vest?

Mr. WALKER. I have seen Joe Rickey with Mr. Vest, and in a little while go with Mr. Reed or Mr. Terrill and get in a quiet spot and talk. I charged that in the Post-Dispatch. It was stated that it was believed as an absolute fact. I gave my reasons for believing it.

The CHAIRMAN. When did you see Mr. Rickey in company with Senator Vest?

Mr. WALKER. I did not say when, because some time elapsed.

The CHAIRMAN. On how many occasions?

Mr. WALKER. Only one occasion.

The CHAIRMAN. When was that?

Mr. WALKER. At Chamberlin's one night.

The CHAIRMAN. Where?

Mr. WALKER. It was in the public room.

The CHAIRMAN. Mr. Vest and Mr. Rickey?

Mr. WALKER. Yes.

The CHAIRMAN. How long were they together?

Mr. WALKER. I can not say. I was passing through the hall.

The CHAIRMAN. How long afterwards did you see Mr. Rickey—with whom did you say?

Mr. WALKER. Terrill.

The CHAIRMAN. How long afterward?

Mr. WALKER. I could not say; inside an hour, and it may be less; because I remember that night, I think, I went to the telegraph office and was there some time, but when I came back to the Arlington I saw Mr. Rickey.

The CHAIRMAN. You saw Mr. Rickey at the Arlington with Mr. Terrill after having seen him an hour before that with Mr. Vest?

Mr. WALKER. Yes; I have seen Mr. Rickey around the Finance Committee room door.

Senator DAVIS. When was this that you saw Mr. Rickey around the Finance Committee room door?

Mr. WALKER. That I can not remember; it was very early in the history of the bill.

The CHAIRMAN. How long after the tariff bill came over to the Senate?

Mr. WALKER. I do not think it had come to the Senate. It was out of the Ways and Means Committee of the House, and I think during the House debate.

The CHAIRMAN. Do you know that Mr. Rickey represented a match company in St. Louis?

Mr. WALKER. Never heard it; but he represented some interests there, and I knew him all my life.

Senator DAVIS. At the time you saw Mr. Rickey at the door of the Finance Committee room at the time the bill was in the House, had the sugar trust attracted much attention?

Mr. WALKER. Yes; I wrote my first article about Christmas; which article attracted much attention, because I was roundly abused by the New York World about it for the charges that I made against Mr. Cockran.

Senator LINDSAY. Bourke Cockran?

Mr. WALKER. Yes.

Senator LODGE. I understood you to say something about the card of a Senator being sent up to the sugar trust.

Mr. WALKER. I do not know that the card went up there, because I only surmised that.

Senator LODGE. I thought you said that it went up to the sugar trust.

Mr. WALKER. I saw a card go upstairs. I do not even now know the rooms occupied by these men. I surely heard, but I did not carry it in my head.

Senator LODGE. I think you said at the beginning that you saw them go there, and you saw a card sent up to Mr. Havemeyer.

Mr. WALKER. I saw one of the Senators, but I never mentioned his name, as I can not directly show that he went up. In this case Mr. Terrill came down, if I recollect.

Senator LODGE. He may have gone up afterwards.

Mr. WALKER. Mr. Terrill came down to this Senator.

Senator LODGE. Who was that Senator?

Mr. WALKER. I do not like to mention his name.

The CHAIRMAN. I do not see why you should not. It was in the open office of the hotel.

Mr. WALKER. Yes.

The CHAIRMAN. At or near the desk?

Mr. WALKER. Yes.

The CHAIRMAN. Where everybody congregates?

Mr. WALKER. Yes. I should not like to state.

The CHAIRMAN. The Senator had no reason to conceal the fact?

Mr. WALKER. Because he did not conceal it I think it would be a great injustice to mention his name.

The CHAIRMAN. Who is Mr. Terrill? Is he a disreputable man?

Mr. WALKER. He was supposed to be an agent, I know, of the sugar trust.

The CHAIRMAN. He is an agent of interests affected by the tariff? Are not interests affected by the tariff liable to have agents here?

Mr. WALKER. I was told that he was at the head of a speculating syndicate organized to enable people here in Washington to make money, and that he represented it. The simple fact that Senators should be seen with him, I know in Wall street, as a representative of the news agency, would be a piece of financial news, and I was encouraged when I was sent there to keep track of his movements in that line.

The CHAIRMAN. When were you sent there?

Mr. WALKER. To Wall street?

The CHAIRMAN. By what agency?

Mr. WALKER. The Kernan News Agency.

The CHAIRMAN. That was not a publication for the newspapers?

Mr. WALKER. It is a stock ticker. The information goes on the ticker as news.

Senator LODGE. It is the Kernan News Agency?

Mr. WALKER. Yes.

Senator LODGE. Which is very well known?

Mr. WALKER. Yes.

The CHAIRMAN. Not a newspaper?

Mr. WALKER. No. I know that this Mr. Terrill is connected with a very distinguished Democrat in a business way, but I never used that.

The CHAIRMAN. You ought to give that.

Mr. WALKER. I went into the hotel with the Senator, and he had confidence in me, and I would not like to state who he was.

The CHAIRMAN. He made no concealment of the fact?

Mr. WALKER. No.

The CHAIRMAN. Did he ask you not to say anything about it?

Mr. WALKER. No.

Senator ALLEN. How do you expect us to get at the bottom of this if you refuse to give us the names?

Mr. WALKER. I do not think this has anything to do with it.

Senator LODGE. If it has nothing to do with it, why not give the names?

Mr. WALKER. I would not like to have him feel that I brought his name in here.

Senator LINDSAY. That is one of the facts we want to know.

Mr. WALKER. Yes.

Senator LINDSAY. This was one of the two Senators you named?

Mr. WALKER. Yes.

Senator LINDSAY. Do you not yourself raise the inference that he himself has some connection with the trust?

The CHAIRMAN. And you say on this occasion, when this Senator went in with you, you had no reason to think that it had anything to do with this sugar trust?

Mr. WALKER. Of course every newspaper man regards Terrill's movements as significant, knowing that he is here.

The CHAIRMAN. Did the Senator who went in with you send up for Mr. Terrill?

Mr. WALKER. That I can not say. The card went up.

The CHAIRMAN. Whose card; the Senator's?

Mr. WALKER. The Senator's; and the boy came down and said the gentleman would be down.

The CHAIRMAN. Did you wait right there in the rotunda of the hotel?

Mr. WALKER. No. That is one reason why I refuse to say anything about it. Immediately after the boy appeared Mr. Terrill was standing back, and that is the reason why I refuse.

Senator LINDSAY. Where was he standing back?

Mr. WALKER. Standing back toward the barroom of the hotel.

Senator LINDSAY. That is an open passageway?

Mr. WALKER. Yes.

Senator LINDSAY. Where everybody passes back and forth?

Mr. WALKER. Yes.

Senator LINDSAY. Was there anything in the movements of the Senator and Mr. Terrill different from that of two gentlemen who were talking?

Mr. WALKER. I did not notice anything peculiar in their movements. I walked away as if I did not want to see any more.

The CHAIRMAN. That is one of the two occasions on which you have seen Senators with members of the trust?

Mr. WALKER. Yes.

Senator LINDSAY. Did you ever allude to that in your correspondence?

Mr. WALKER. No.

Senator LODGE. Then the only Senator you know by name as coming there frequently is Senator Brice?

Mr. WALKER. I never mentioned but two names of Senators. I may have referred to Senators by name saying that I did not believe such and such a statement made in another newspaper, but the only names I have used were Senator Brice and Senator Vest. I have used Senator Vest's name entirely on instructions from the Post-Dispatch. I refused because I knew they were inclined to be sensational on the subject. I refused to follow up the tariff, and on that ground they took it out of my hands and put it in the hands of the World's bureau. Mr. Pulitzer owns both papers. There was a good deal in regard to Vest that I did not send at all. It was sent by the World's bureau.

The CHAIRMAN. But you had instructions from the Post-Dispatch to connect Mr. Vest and Rickey?

Mr. WALKER. Yes.

The CHAIRMAN. What was the nature of the instructions?

Mr. WALKER. There was something printed in the World, and I got a dispatch to follow up that article in that line. The instructions were reiterated.

Senator DAVIS. I do not understand you to say that you saw Senator Vest at the Arlington?

Mr. WALKER. No; I saw him at Chamberlin's.

Senator LINDSAY. How often were you communicated with by the Post-Dispatch in reference to Mr. Vest and Joe Rickey being connected?

Mr. WALKER. This once particularly and in things I have seen. I

have had one or two dispatches saying: "Keep up that line; send more of it; it is not enough." I remember once I sent a short dispatch and they said something like a few hundred words would be better.

Senator LINDSAY. That is in the line of connecting Senator Vest with Joe Rickey?

Mr. WALKER. Yes.

Senator ALLEN. Did the Post-Dispatch manager seem to have a desire to connect Senator Vest with these transactions?

Mr. WALKER. I do not know. I think the Post-Dispatch was Senator Vest's organ out in Missouri for a number of years. It always claimed to have the credit of sending him to the Senate. Everybody out there knows Joe Rickey's reputation.

Senator ALLEN. Did they manifest a desire to have you connect Senator Vest with these matters when there was no evidence?

Mr. WALKER. Yes. There was an article which appeared written by a member of the staff of the World on Saturday night. The World matter always goes to the Post-Dispatch. This article was written by Dr. Bowen. That was sent out, and that is what interested them. Of course, they asked me to follow it up. In that article the first allusion was made to Rickey and Senator Vest.

Senator LINDSAY. It was after that that you remember seeing Rickey and Senator Vest together at Chamberlin's?

Mr. WALKER. I did not mention Vest and Rickey first by name, but in some conclusions I drew in the Daily America. I started writing up the trust along back before Christmas.

Senator LINDSAY. Did you hear anything that Senator Vest said to Rickey, or Rickey to Senator Vest, in Chamberlin's, on the occasion of which you speak?

Mr. WALKER. No.

Senator LINDSAY. And an hour afterward you saw Rickey with Terrill. Did you hear anything said by Terrill to Rickey or Rickey to Terrill?

Mr. WALKER. No. That was at the Arlington. About the tariff bill, I had heard talks on Wall street. Persons intimated to me about it, intimated that I should keep my eye on two of them.

Senator ALLEN. What was Mr. Rickey's business?

Mr. WALKER. He was known, out in Missouri, as a member of the "third house."

Senator ALLEN. A lobbyist?

Mr. WALKER. I understood it was his profession. He was more or less proud of it.

Senator ALLEN. Has he been a professional lobbyist for years?

Mr. WALKER. Ever since I remember—1870.

Senator ALLEN. Do you know what particular interest he was representing with Senator Vest?

Mr. WALKER. No. I understood that he was speculating. I did not understand that he was lobbying at all.

Senator ALLEN. Did you understand that he was operating with Senator Vest?

Mr. WALKER. That was the supposition, yes. I told that before the Senate met; before Congress met; before the tariff bill came out of the Ways and Means Committee.

The CHAIRMAN. Do you know that Mr. Rickey was operating with Senator Vest?

Mr. WALKER. People told me he had been seen in a broker's office; told me confidentially.

The CHAIRMAN. That who had been?

Mr. WALKER. Rickey; and told me that Rickey had a way of getting information that an outsider would not have.

The CHAIRMAN. This broker told you?

Mr. WALKER. No; I heard it out on the street.

The CHAIRMAN. Who told you?

Mr. WALKER. I heard a man say outside on the same day in the same connection that Mr. Keene had an idea of employing him in regard to tariff legislation.

Senator ALLEN. Who is he?

Mr. WALKER. One of the big men of Wall street. He was supposed to be a broker of the sugar trust. I was told so anyhow. He is a big proprietor of the sugar trust.

Senator LODGE. To return to your not publishing that because it was on the old line that you were following. That old line, as I understand from your testimony, was simply that you had been showing the connection between the sugar trust and certain Senators?

Mr. WALKER. Well, to go back to it and give you my reasons. These were simply little things; what you would call tracking a person for news. The Post-Dispatch came out with an article charging a member of the Ways and Means Committee with getting up and stating that he was Mr. Havemeyer's attorney, and making a speech in favor of what the trust wanted. I advised against the publication of the article. It created a great sensation in New York. I made the statement on the direct statement of a member of the Ways and Means Committee, and sent a newspaper man to another member of the Ways and Means Committee and he confirmed it. I gave the facts and told them not to use my name. Naturally the member was indignant, and came to me and said it was not true; that he was Mr. Havemeyer's attorney in other matters legitimate; that he told Mr. Havemeyer that he could not expect him to do anything that would be in the interest of the Democratic party. This member told me that he went so far as to say that a man very high in the administration, who had something to do with the making of the tariff bill, had told him that the sugar trust had made large contributions to the campaign fund, and asked him to do what he could, and he felt that he ought to do it.

Senator LODGE. The person whom you are now quoting is a member of the House and Mr. Havemeyer's attorney?

Mr. WALKER. He had been employed by him.

Senator LODGE. He denied it to you; but this is the one from whom the story came?

Mr. WALKER. Yes. He gave me a lot of information about the trust and what they expected. Naturally that was the basis of my information. The paper I represented was the organ of Tammany Hall, and I knew they fought the trust bitterly some years ago. I knew from what the editor informed me in numerous dispatches that they were very anxious to follow it up. Then the editor gave me the same information that this gentleman did. I do not know where he got it, of course. I showed this gentleman a number of dispatches, and he said they were correct.

Senator LODGE. That, you say, was the beginning of your interest in regart to the sugar trust in connection with the tariff?

Mr. WALKER. Yes. Naturally, the paper having gone into it and having made a newspaper business hit, it was anxious to keep it up

Senator LODGE. Have you followed the bill since it came over to the Senate?

Mr. WALKER. Yes; ever since. To-day I have something.

Senator LODGE. Have you published any statements that the sugar trust have had influence in making up the tariff bill?

Mr. WALKER. Several times.

Senator LODGE. On what basis?

Mr. WALKER. All my opinions were based on what this member of the Ways and Means Committee told me and common talk around the press gallery.

Senator LODGE. Who was that member?

Mr. WALKER. Mr. Cochran. Then I knew he told me another thing. I saw a report in an afternoon paper that Mr. Edwards made the same statement here. I asked Mr. Cochran about it, and he said that was Mr. Havemeyer's contribution to the antisnappers.

The CHAIRMAN. Mr. Edwards made no such statement here.

Mr. WALKER. The Star this afternoon states it. I knew that that was a fact.

Senator LODGE. You have been following up that line, as I understand it, since the bill has been here?

Mr. WALKER. Yes.

Senator LODGE. Based on the statement of Mr. Cochran?

Mr. WALKER. Yes. Of course, I watched developments and drew my own conclusion. Most all I have said I have given my reasons for, believing the things that were printed over my own signature.

Senator LODGE. And the only reason you have given here for understanding that the sugar trust are in communication with other Senators was seeing Senators at the hotel.

Mr. WALKER. I have seen Senator Brice taking them over to New York and things like that. A gentleman very intimate with Senator Brice told me that the Senator had made a large amount of money out of sugar speculation, and I have seen him around the Arlington.

Senator LINDSAY. Who told you that?

Mr. WALKER. That I can not tell you. He was a newspaper man.

The CHAIRMAN. Did he say he knew it, or only suspected it?

Mr. WALKER. No. This man had given me several times information, and I knew he was a speculator himself. He had given me information about Senators, and I knew he was in Mr. Brice's confidence; and when I would advise my Wall street concern that such a thing was going up or down, it always turned out that way. I naturally concluded that this man was a valuable man, so far as sugar stock was concerned.

The CHAIRMAN. You mean that was in your own speculations?

Mr. WALKER. No; my telegrams to Wall street. Of course, they go on what the information is here regarding the interests affected by the tariff.

The CHAIRMAN. Now, you have made a statement with regard to Senator Brice and Senator Vest; the name of the Senator with whom you walked into the Arlington that day or evening and met Mr. Terrill you decline to give.

Mr. WALKER. Yes.

The CHAIRMAN. It was neither Senator Brice nor Senator Vest?

Mr. WALKER. I saw another Senator. When I said Senator I meant several. I knew I had seen more than one. At this moment I can mention a third Senator, but he lives there.

The CHAIRMAN. Who was that?

Mr. WALKER. I have seen him with one member of the sugar lobby,

but I did not attach much importance to it. I supposed he knew what was going on. I asked him for information.

The CHAIRMAN. Who was the Senator?

Mr. WALKER. Senator Aldrich.

The CHAIRMAN. He lives at the hotel?

Mr. WALKER. Yes; I never attached much importance to it. I saw him with Mr. Reed.

The CHAIRMAN. Who is Mr. Reed?

Mr. WALKER. He is from Boston.

The CHAIRMAN. What has he to do with the sugar trust?

Mr. WALKER. I understand that he is one of the largest stockholders.

Senator ALLEN. Is he an officer of some of these sugar-refining companies?

Mr. WALKER. I have often heard his name.

The CHAIRMAN. So long as you are stating names, mention all the names. I suppose Senators have a right to go to the Arlington Hotel. Tell us the names of all the Senators whom you have seen in contact with, or in communication with, members of the sugar trust in any way?

Mr. WALKER. I shall have to decline that with regard to the other Senator, because I am under obligations for a good deal of information from him.

The CHAIRMAN. From whom?

Mr. WALKER. The Senator whose name I decline to give.

The CHAIRMAN. Are those the only ones? I think you have mentioned three, and this one whose name you decline to give makes four. Are there any others whom you have reason to suspect as having improper relations with members of the sugar trust?

Mr. WALKER. Knowing I would not print it, I never like to make a statement that I have not good reason for; I would not say. I have seen brokers around, and people have told me about people speculating. My Wall street concern I have to keep posted on that. I have to say that a Senator bought so much sugar stock on the information of the broker, but I never mention the name.

Senator ALLEN. I want to do all I can to facilitate this investigation. I think we had better dismiss this witness at this time and recall him later. There are some matters I think we ought to consider before adjourning.

Senator LINDSAY. Allow me to ask a question right there. This Senator whose name you decline to give you say you are under obligations to for information?

Mr. WALKER. Yes; about things generally; but I never printed his name.

Senator LINDSAY. What sort of things?

Mr. WALKER. Nothing that would be improper. But he has given me information that he would not, I suppose, give every newspaper man.

Senator LINDSAY. Given you information about executive sessions?

Mr. WALKER. No; never asked him about that.

Senator LINDSAY. Given you information that affects the standing of his brother Senators.

Mr. WALKER. No; but he has given me information about certain news in the Senate; what is likely to be done—more generally about future movements; nothing that was not legitimate news.

Senator LINDSAY. And you never saw anything in his conduct at the Arlington that was not perfectly consistent with good conduct?

Mr. WALKER. No.

Senator LINDSAY. Why not give his name?

Mr. WALKER. Because it might be taken in a way in which it was not intended.

Senator ALLEN. Does this Senator board at the Arlington?

Mr. WALKER. No.

Senator ALLEN. Where does he board?

Mr. WALKER. He keeps house.

Senator ALLEN. Has his family here, does he?

Mr. WALKER. Yes.

Senator ALLEN. What State is he from?

Mr. WALKER. I might just as well tell you the name.

Senator ALLEN. I suppose you know we are entitled to answers to these questions that we are asking?

Mr. WALKER. When I went into journalism I learned that it was my duty to treat with honor the man who gives me information.

Senator ALLEN. There is but one excuse for you not giving the names, and that is that your answers might tend to criminate you; otherwise we are entitled to your answer.

Mr. WALKER. I do not think this gentleman's name has anything to do with it.

Senator LINDSAY. The very fact that you conceal it is susceptible of the construction that he has.

Senator LODGE. In regard to the statement about that meeting which was referred to in the article of the Mail and Express, did you know of that meeting from any other source?

Mr. WALKER. No.

Senator LODGE. You said you did not print it because it was old matter?

Mr. WALKER. Yes; because I had heard of these meetings. The way it came about I do not mind telling. We were discussing Mr. Edwards's desire to publish it, and we said there was nothing new about it, except about some brokers getting the proofs of the amendment, and a talk in that line.

The CHAIRMAN. Who said there was nothing new in it?

Mr. WALKER. We all agreed that there was nothing new in it, except that statement; and then we referred to another statement which was made, and which we thought was accurate. That was the statement that Senator Smith was in the room; and then this Congressman told us this story. And then he said, I believe, this same thing. It happened about the same time. He said, I remember particularly, asking if Senator Smith was in the room, and he said he was not. This man was a friend of the Congressman, and he was satisfied that that part of Edwards's article was erroneous.

Adjourned until to-morrow, the 25th instant, at 10 o'clock.

WASHINGTON, D. C., *May 25, 1894.*

The committee met pursuant to adjournment.

Present, the chairman (Senator Gray) and Senators Lindsay, Davis, Lodge, and Allen.

Mr. SHRIVER. May I make an explanation before you ask me any questions?

Before I was subpœnaed I asked whether I would be. You said that it had not been determined. Then it was that the Associated Press men came to me and asked me what I would testify to. Then I had a

conversation with Senator Lodge, and on that is founded the story that is published this morning. I have not violated the confidence of the committee.

I also wish to say that I see it published that Mr. Walker testified that he did not get permission to publish the article that I did. The conversation was given to us at the same time, but Mr. Walker left us before the story was finished. I asked the Congressman if I could use the information, and got his permission to do so, but with the understanding that I was not to use his name, because he did not wish to be mixed up in the matter. So that Mr. Walker was not present when I got the permission.

The CHAIRMAN. When you left the committee room last night, you had been asked who your authority was for the statement which you made in your letter to the Mail and Express, published on Saturday last, in regard to a conversation between certain members of the sugar trust and certain Senators, which conversation was overheard in a room at the Arlington Hotel. You said that you could not answer it then, and you asked until this morning to consider whether you would answer the question. What have you to say now?

Mr. SHRIVER. I have consulted counsel in the matter and have been advised not to say anything at present, not until I get permission.

The CHAIRMAN. Then you definitely decline this morning to tell the committee who it was told you the story that was published by you in the Mail and Express in its issue of Saturday last, and to which your attention was directed on yesterday.

Mr. SHRIVER. I do at present, because I have been asked not to do so.

The CHAIRMAN. Then you do definitely decline?

Mr. SHRIVER. Yes; I decline, because I have not seen my counsel within two hours, and he advised me to decline until I had seen him.

The CHAIRMAN. Do you decline also to give the name of the person who was alluded to in that letter as the wire manufacturer.

Mr. SHRIVER. Yes, I do.

Senator ALLEN. On what ground do you decline to answer these questions?

Mr. SHRIVER. Decline, because I would violate the confidence reposed in me, which would involve my entire reputation as a newspaper correspondent.

Senator ALLEN. That is the only ground on which you decline?

Mr. SHRIVER. And on the ground that it would degrade me. I promised not to give this man's name.

Senator ALLEN. And those are the only grounds?

Mr. SHRIVER. There may be others; I do not know until I see my counsel.

Mr. EDWARDS reappeared and stated that he had obeyed the instructions of the committee absolutely not to make public the statements he had made before the committee; whereupon he was further examined.

The CHAIRMAN. Now, Mr. Edwards, when you left the room on yesterday it was for the purpose of consulting your counsel and making up your mind, after having consulted him, whether you would answer the question that was propounded to you by the committee, which question was—who gave you the information upon which you made the statement that the Secretary of the Treasury, Mr. Carlisle, made a secret visit to the Democratic members of the Finance Committee some time in February, and while there made a certain appeal to them? all of

which was read to you as from your letter to the Philadelphia Press, published May 14, 1894. The question is now repeated.

Mr. DITTENHOEFER. I have instructed Mr. Edwards not to answer, and I raise certain objections. The first objection is that the question relates to a subject that was not referred to the committee, as the resolution on its face shows. The second objection is that the resolution does not show on its face that it is intended for any purpose of legislation or with regard to any matter within the jurisdiction of the Senate to inquire into. My third objection is that the question has no relevancy to the jurisdiction that the Senate has to punish its members for disorderly conduct, nor to the jurisdiction of the Senate to compel the attendance of absent members, nor to the jurisdiction of the Senate to determine as to the election or qualification of its members, nor to the jurisdiction of the Senate to try cases of impeachment. Those are the only matters in which the Senate has power to compel a witness to testify, if the result of his refusal places him in contempt.

My next objection is that the question solicits information that is utterly unnecessary. It is unimportant for the committee, for the purpose of arriving at the truth of the alleged charge, to ascertain who informed Mr. Edwards. The question before the committee is whether the charge is true or false, not who gave the information. As to whether it is true or false, the information can be obtained from the Secretary of the Treasury and from the members of the Finance Committee. Suppose they admit it, it would not be necessary to get the name of the informant; if they deny it, it would be equally unnecessary. An answer to the question may have a tendency to bring about criminal prosecutions against the witness.

Lastly, being a newspaper man, the witness is under honorable obligations not to disclose the source of his information, because if he violated that obligation of honor it would degrade him in the estimation, not only of members of his own profession, but of the entire community.

The objections made by the witness under instructions of his counsel were overruled, and the witness was directed to answer.

Mr. EDWARDS. I shall have to follow the advice given by my counsel, and for the reasons set forth decline to answer.

The CHAIRMAN. We ask you again who was your informant that Mr. Carlisle, after having made that statement, turned and left the committee room, going away with that secrecy with which he came, but before he did so signified his willingness himself to prepare an amendment which he thought would be fair to the Government and yet be just to the sugar interests?

Mr. EDWARDS. As I stated yesterday.

The CHAIRMAN. And you decline to answer.

Mr. EDWARDS. For the same reasons.

The CHAIRMAN. Who is your informant that when the bill was before the subcommittee of the Finance Committee of the Senate some of the officers and managers of the sugar trust established themselves in Washington, being in New York a part of the time and at Washington at frequent intervals, upon one occasion there were gathered in a room in a Washington hotel Mr. Havemeyer, Senator Brice, Senator Smith, of New Jersey, Brice's Terrell, and one other man, whose name it may be worth while to withhold for the present?

Mr. EDWARDS. The same informant.

The CHAIRMAN. And you decline to answer?

Mr. EDWARDS. For the same reasons.

The CHAIRMAN. Who is your informant that on the very day that Mr. Voorhees, the chairman of the Finance Committee, denied in the Senate that any amendments were proposed to the Senate's bill as originally reported by the Finance Committee, the list of some 400 amendments, as prepared by Senator Jones, was in the hands of one of the members of the brokerage firm of Moore & Schley?

Mr. EDWARDS. The same informant.

The CHAIRMAN. And you decline to answer?

Mr. EDWARDS. Under the advice of counsel.

The CHAIRMAN. Who informed you that upon the Sunday before the bill as first reported was sent to the Senate there was a striking illustration of the absolute domination of the sugar trust over the Democratic members of the Finance Committee; that that was an all day and half the night session and upon the Sabbath day; that in one room were the Democratic members of the Finance Committee, and in one wing of the Capitol were the representatives of the sugar trust, Havemeyer and Terrill, and Meyer and Ben Le Fevre and others; that these men sat as the rulers of a political convention sit, in a place apart, and yet within instant communication of those who are to act; that there were runnings back and forth between the Finance rooms and the quarters occupied by the trust all day; that everything had been arranged up to the point of satisfying the Louisiana Senators; that even the trust realized it was necessary for the Democratic party to placate these Louisiana men or else there would surely be two votes against the bill; that it was a question of compromise, each side giving a little and taking a little; that at one time it seemed as if the whole negotiation must go to pieces; that never was there more desperate battle between conflicting interests in the committee rooms of the Capitol; that at last, late that evening, Senator Caffery drafted a schedule, Mr. Havemeyer looking over his shoulder, and the other members of the sugar trust watching the Senator with eyes that fairly glittered, as one Senator who saw that spectacle afterwards expressed it; that it was a crucial moment; that when Senator Caffery had finished, the sugar trust read his draft, reluctantly accepted it; it was taken to the room of the Finance Committee, and there accepted?

Mr. EDWARDS. The same informant.

The CHAIRMAN. Who was it?

Mr. EDWARDS. I decline to answer, under advice of counsel.

The CHAIRMAN. Who was the Senator who mentioned the looking over the shoulder of Senator Caffery?

Mr. EDWARDS. I think I stated yesterday that that Senator was not mentioned. I do not know who he was.

Senator ALLEN. This informant whose name you refuse to give gave you liberty to publish these things which you have published in your letter?

Mr. EDWARDS. I understood that was the expectation. I do not think there was any formal statement.

Senator ALLEN. And you were sent to him by Mr. Bradford Merrill, the editor of this paper?

Mr. EDWARDS. No; not the editor of the Philadelphia Press, but of the New York Press.

Senator ALLEN. You were sent to this man for the express purpose of getting this information?

Mr. EDWARDS. Yes.

Senator ALLEN. And you got all the information about Mr. Carlisle

and the members of the Finance Committee, and all the information of the members of the sugar trust in the Capitol?

Mr. EDWARDS. He gave all this information.

Senator ALLEN. And upon the information of that man, and that man alone, you base these charges?

Mr. EDWARDS. That is correct.

Senator ALLEN. Now you refuse to give the name of the man who informed you?

Mr. EDWARDS. Under the advice of counsel.

Senator ALLEN. Do you know his name?

Mr. EDWARDS. I know the name by which he was introduced to me.

Senator ALLEN. Is he here in the Capitol now?

Mr. EDWARDS. I will not say he is in the Capitol, because I do not know. He is in Washington.

The CHAIRMAN. Have you seen him since you were here last?

Mr. EDWARDS. I have not.

Senator ALLEN. Do you know his street and address?

Mr. EDWARDS. I do not.

Senator ALLEN. Do you know the capacity in which he is laboring here under the Government?

Mr. EDWARDS. I am not sure about that.

Senator ALLEN. You could identify him if you chose?

Mr. EDWARDS. I could indentify the gentleman if I saw him, and identify the name under which I was introduced to him. But I never saw him before.

Senator ALLEN. And your failure now to give his name is not in consequence of not knowing his name?

Mr. EDWARDS. No, not because I have any doubt about the name by which he was introduced was his real name.

Senator ALLEN. You believe that these statements which he gave you reflected the truth?

Mr. EDWARDS. My conviction is that they are true; that is, that he believed them to be true.

Senator ALLEN. And you believed them to be true?

Mr. EDWARDS. Simply on his statement.

Senator ALLEN. And with that view of the facts you refuse to divulge his name?

Mr. EDWARDS. On the advice of counsel.

Senator ALLEN. On the statement that you refused to give his name and with the instruction that you are protected only on the ground that it would criminate you, you still refuse?

Mr. EDWARDS. I would on that ground alone, without advice of counsel.

I would like to ask the committee whether that is all?

The CHAIRMAN. Have you any other statement you would like to make?

Mr. EDWARDS. I suppose the committee will take some other action. I have received news of the illness of my mother and also a request from the editors of my paper. Could I be excused until Monday? I would like to consult with the editors, Mr. Merrill and Mr. Smith, of the Philadelphia Press. It may be that they will advise me to take other steps.

Senator ALLEN. Did Mr. Merrill give you a letter of introduction to this other man?

Mr. EDWARDS. No; he did not.

Senator ALLEN. He simply advised you to approach him?

Mr. EDWARDS. I will be frank with the committee, and say that Mr. Merrill communicated with the gentlemen and said that I would call.

Senator ALLEN. By letter?

Mr. EDWARDS. By wire.

Senator ALLEN. Did you see the communication?

Mr. EDWARDS. I did not; I only know that Mr. Merrill told me that he had communicated.

Mr. SHRIVER was recalled.

The CHAIRMAN. We have given you the opportunity to ask advice of your counsel, and we now renew the question that was asked on yesterday and which you declined to answer. That question was, who informed you of the facts stated in your letter to the New York Mail and Express published on last Saturday?

Mr. SHRIVER. Under advice of my counsel I formally decline to answer.

The CHAIRMAN. What is the name of the so-called iron manufacturer alluded to in that letter?

Mr. SHRIVER. Under the advice of my counsel I formally decline to answer.

The CHAIRMAN. That is your definite and final answer?

Mr. SHRIVER. Yes.

SWORN STATEMENT OF SENATOR DONELSON CAFFERY.

The CHAIRMAN. You are a Senator from the State of Louisiana and have been such during this session of Congress?

Senator CAFFERY. Yes.

The CHAIRMAN. Mr. Edwards, the author of an article published in the Philadelphia Press of May 14, 1894, has been before the Committee and has been examined in regard to the several statements made in that article, having read the statements wherein Senator Caffery is referred to in the article. This gentleman who wrote this letter, as I have said, has been before the committee and he has been asked with regard to that statement. He says he does not know it of his personal knowledge, but declines to give the name of his informant. We would like to hear anything you have to say in regard to it. Have you ever seen that letter before?

Senator CAFFERY. I have never read that before, nor have I seen it. Do you wish my answer to this whole article, or do you wish to interrogate me?

The CHAIRMAN. We wish your statement as to every matter of fact alleged there to be within your knowledge, if it be true to your knowledge.

Senator CAFFERY. In so far as any part of this statement connects me with any conference with the men named here as belonging to the sugar trust, Havemeyer, Terrell, and Meyer, whom I do not know, nor have I ever seen—Mr. Le Fevre I do know casually—in so far as it connects me with any conference with these people, it is unqualifiedly false. In so far as the statement makes me the draftsman of a schedule which Mr. Havemeyer accepted, and who when I wrote it was looking over my shoulder, that is unqualifiedly false. I had no conference with Mr. Havemeyer nor anyone of the sugar trust.

The CHAIRMAN. Were you present in a room with the Democratic

members of the Finance Committee on a Sunday about that time before they reported the bill to the Senate?

Senator CAFFERY. I do not know whether it was a Sunday or some other day; but I had frequent conferences with the Finance Committee, or the subcommittee of the Committee on Finance.

The CHAIRMAN. Is sugar-growing an interest in your State?

Senator CAFFERY. It is.

The CHAIRMAN. Have you as a Senator of the United States been representing that interest to the Finance Committee?

Senator CAFFERY. I have.

The CHAIRMAN. Do you recollect any transaction in your visits to the Finance Committee or the Democratic members of the Finance Committee like the one stated in that article?

Senator CAFFERY. I do not. I not only do not recollect any, but none ever occurred.

Senator DAVIS. Did you at any time draft the schedule or paper attributed to you in that article?

Senator CAFFERY. I did not.

Senator DAVIS. Did you draft any for the use of the committee?

Senator CAFFERY. No; not for the use of the committee. I did present schedules for the use of the committee, but they were not drafted by me, but by Louisiana planters who were here.

The CHAIRMAN. Did you have conferences with these Louisiana sugar people?

Senator CAFFERY. I did; frequent, constant. They were here for weeks, months, and I was always in consultation with them.

Senator DAVIS. Then the statement that you were in some room in this building, the Finance Committee room, and there were frequent comings and goings in reference to the sugar schedule, is not true?

Senator CAFFERY. Not true.

Senator DAVIS. You say you do not know Mr. Havemeyer?

Senator CAFFERY. I do.

The CHAIRMAN. You say you do?

Senator CAFFERY. I say I do know him. Terrell and Meyer I do not know. I have seen Havemeyer in the city of Washington.

Senator LODGE. At the Capitol?

Senator CAFFERY. I met him one day going out of the east entrance of this Capitol.

The CHAIRMAN. Were you introduced to him.

Senator CAFFERY. I was introduced to him?

The CHAIRMAN. Did you recognize him as a man interested in sugar products?

Senator CAFFERY. I did not.

Senator DAVIS. Did you ever have any conference with Mr. Havemeyer at any time or place at the time you drafted any sugar schedule?

Senator CAFFERY. First, I never drafted any sugar schedule. I did have a conference with Mr. Havemeyer once.

Senator DAVIS. When was that?

Senator CAFFERY. Perhaps two or three weeks before the Senate Finance Committee reported the specific sugar schedule.

Senator ALLEN. The specific sugar schedule?

Senator CAFFERY. Yes.

Senator DAVIS. Where was that?

Senator CAFFERY. At Senator Brice's house.

Senator DAVIS. What was the subject of the conference?

Senator CAFFERY. The subject of the conference was—it was not

any conference, if you please. I was asked to see Mr. Havemeyer. He commenced an argument in favor of the ad valorem rate on sugar in preference to the specific rate, and a number of figures were produced to show, or attempt to show, the correctness of his argument.

Senator DAVIS. Did you and he come to an agreement at that conference, or did you differ?

Senator CAFFERY. I expressed no opinion; I had very little to say. I had a very decided opinion that the specific rate was better for the producer, which opinion I entertain now.

Senator LODGE. Then there was a controversy between you and Mr. Havemeyer, from the refiner's standpoint and on your part from the producer's standpoint?

Senator CAFFERY. Exactly. We did not agree in opinion at all upon that point.

Senator LODGE. As to the proper form which the sugar schedule should take?

Senator CAFFERY. Yes.

The CHAIRMAN. Did you ever see Mr. Havemeyer at any other time or place?

Senator CAFFERY. I had but a short conversation with him; it did not last over fifteen minutes. That was at this house of which I speak. On another occasion I met Mr. Havemeyer as he was going out of the east entrance of the Capitol.

The CHAIRMAN. Making two occasions altogether?

Senator CAFFERY. Yes.

Senator LODGE. Did you have a conversation with Mr. Havemeyer the second time?

Senator CAFFERY. Yes.

Senator LODGE. On the same points of difference?

Senator CAFFERY. Yes.

The CHAIRMAN. What was the difference?

Senator CAFFERY. From his talk, Mr. Havemeyer was very much incensed at the adoption by the committee of the specific schedule. I say incensed; that, perhaps, is a little too strong. But he was very much put out by the adoption of the specific schedule of 1.38½ maximum schedule.

Senator DAVIS. That schedule you did not draw?

Senator CAFFERY. No; it was drawn by a member of the Louisiana delegation.

Senator LODGE. Was it the schedule that you submitted?

Senator CAFFERY. No; not the schedule I submitted. It was a schedule adopted by the subcommittee of its own volition.

The CHAIRMAN. How long did this conversation of which you speak, at the entrance of the Capitol, last?

Senator CAFFERY. I suppose for not more than two or three minutes.

Senator LODGE. Then, as I understand it, I want to get the dates, the first conversation with Mr. Havemeyer was before the report of the first schedule?

Senator CAFFERY. Yes.

Senator LODGE. And the second conversation was subsequently?

Senator CAFFERY. Subsequently.

Senator ALLEN. Will you fix the date, as nearly as you can, of these two interviews?

Senator CAFFERY. I suppose the interview that I had with Mr. Havemeyer at Senator Brice's was some two weeks or three weeks prior to the adoption by the Senate Finance Committee of the specific schedule.

Senator ALLEN. Of the first amendment?

Senator CAFFERY. Commencing at a cent a pound on sugar and running up to 1.28½. I suppose it was two weeks.

Senator ALLEN. And the other was?

Senator CAFFERY. The other was a day or two after. I think it was a morning or two after.

Senator LODGE. After the report of the schedule?

Senator CAFFERY. After the report of the schedule. It was very short.

Senator ALLEN. At the interview at Senator Brice's house did you meet any other Senators besides Senator Brice?

Senator CAFFERY. Yes; there were a number of Senators there.

Senator ALLEN. Who were they?

Senator CAFFERY. My then colleague, Senator White, who perhaps —well, he was there. I think Senator Hill was there. I do not remember whether Gorman was there or not, but I think he was.

Senator LODGE. Were any members of the Finance Committee there?

Senator CAFFERY. There were not. We met there by invitation of Senator Brice to talk over these matters.

Senator LODGE. The general legislation on sugar was talked over there, was it?

Senator CAFFERY. It was.

Senator LODGE. What was, briefly, the claim of Mr. Havemeyer?

Senator CAFFERY. Mr. Havemeyer did not meet any of those gentlemen but myself. I was requested to see Mr. Havemeyer, who happened to be in the House.

Senator LODGE. He was not in the room with these others?

Senator CAFFERY. He was not in the room with these other gentlemen.

Senator LODGE. Was this conversation held in Senator Brice's presence?

Senator CAFFERY. It was not; it was between me and Mr. Havemeyer.

Senator LODGE. Give briefly all he claimed or all he desired in reference to sugar.

Senator CAFFERY. So far as I understood the argument of Mr. Havemeyer, it was that an ad valorem rate of 40 per cent upon the raw sugars and 50 per cent upon the refined sugars above 15 Dutch standard was the best possible schedule upon which to levy a tariff on sugar.

Senator LODGE. What did he, Mr. Havemeyer, say in that conversation?

Senator CAFFERY. He cited the prices of sugar and claimed that the Germans raised sugar so cheap and gave an export bounty amounting to perhaps 10 per cent—something in that neighborhood; that the differential tariff was necessary to protect the refiners. He was arguing from the refiners' standpoint, and his argument was an attempt to convince me that that standard was more favorable to the producers than a specific rate.

Senator LODGE. Did you understand from Mr. Havemeyer that he had conversed with any members of the Senate Finance Committee?

Senator CAFFERY. I did not.

Senator LODGE. On the second occasion, when you met Mr. Havemeyer at the east end of the Capitol, did you ascertain where he had been?

Senator CAFFERY. I did not. I did not know and did not ask him.

Senator LODGE. Do you know whether he was ever before the Finance

Committee or the subcommittee of the Finance Committee appointed to consider that question?

Senator CAFFERY. Never was when I was before them, nor do I know that he was before them.

Senator LODGE. You never met any of these gentlemen in the Capitol building on the Sabbath day as described in this article?

Senator CAFFERY. Never met any of them in the Capitol. The only time I met Havemeyer was when he was going out.

Senator LODGE. And you know nothing of the negotiations?

Senator CAFFERY. No; nothing except that it did not take place.

Senator LINDSAY. Was there anything in this conversation of Havemeyer with you outside of the usual course of conversations with which parties are here attempting to influence legislation?

Senator CAFFERY. Nothing whatever. It was a pure argument from his standpoint.

Senator LINDSAY. To convince you that his theory was better for both sides than yours?

Senator CAFFERY. Yes.

The CHAIRMAN. Was there anything improper in his argument, anything that should not have been heard by members of the Finance Committee?

Senator CAFFERY. Not at all.

The CHAIRMAN. Was there anything in his manner that differed from the manner of those who represented other protected interests?

Senator CAFFERY. I could see nothing improper whatever in Mr. Havemeyer's argument, and nothing that could not be stated with perfect propriety either before the Finance Committee, the Senate, or anywhere else. It was an argument presenting his side of the case.

Senator DAVIS. You have been in the city for the last month, every day?

Senator CAFFERY. I have; yes.

Senator DAVIS. This article appeared on the 14th of May last. Before it appeared did any newspaper correspondent ever go to you to ascertain the fact in regard to this matter?

Senator CAFFERY. I have no recollection of it. I have no recollection of any newspaper correspondent asking me in reference to the truth or falsity of that statement.

Senator DAVIS. You never saw the statement until to-day?

Senator CAFFERY. Never until to-day.

Senator ALLEN. You never gave any information upon which this article was predicated?

Senator CAFFERY. I did not.

Senator LODGE. Then this story that there was a meeting here on Sunday where there was a protracted struggle over the sugar schedule between representatives of the sugar trust and members of the Finance Committee, at which you were present, is absolutely false.

Senator CAFFERY. Absolutely false.

Senator LODGE. No meeting such as that ever occurred, to your knowledge?

Senator CAFFERY. None ever occurred.

Senator LODGE. You were never present here with the Finance Committee on Sunday?

Senator CAFFERY. I believe I was one Sunday. I think I slipped in there one Sunday.

Senator ALLEN. What members of the Finance Committee were there?

Senator CAFFERY. The Sunday that I was there I think it was Senators Vest and Jones.

Senator ALLEN. Was there any other Senator there?

Senator CAFFERY. I think it was Sunday, but I do not know when you ask for days and dates.

Senator ALLEN. Did you see any other person there except those two?

Senator CAFFERY. I do not remember seeing anyone else.

Senator ALLEN. Any employés?

Senator CAFFERY. There was a clerk there.

Senator ALLEN. Do you recall the man's name?

Senator CAFFERY. A man by the name of Durfee.

Senator ALLEN. Do you recall whether he went out of the Finance Committee room while you were there?

Senator CAFFERY. I do not know whether I entered that room or not. I wanted to see Mr. Jones in regard to something—in regard to these specific schedules, to explain. I submitted a schedule different from the one they reported.

The CHAIRMAN. By whom was that drawn?

Senator CAFFERY. That was drawn by either John Diamond, or a young gentleman who is a big grower in Nebraska by the name of Leavitt, quite an expert in figures. This schedule had been submitted to a number of these gentlemen and they had all agreed to it.

Senator LINDSAY. The planter gentlemen?

Senator CAFFERY. The planter gentlemen. Of course I am speaking of the planter gentlemen. I had no schedule to submit to these refiners. I had nothing to do with them whatever; on the contrary, our interests were opposed, as they wanted an ad valorem and we wanted a specific rate.

The CHAIRMAN. On this day did you go into the room?

Senator CAFFERY. My present recollection is that I called Jones out.

The CHAIRMAN. But whether you called him out or went in——

Senator CAFFERY. Stayed in the door; I think Jones was in there and Vest was in there.

The CHAIRMAN. Whether you called him out or went in it was something about explaining to Senator Jones that rate?

Senator CAFFERY. Exactly.

Senator LODGE. On this day, this Sunday, was the sugar schedule under discussion?

Senator CAFFERY. I am not aware of it; I do not know what they were discussing.

Senator LODGE. It was not long before they reported; they reported the following Monday.

Senator CAFFERY. I think this was Sunday. They reported Monday and did not report the schedule I offered. I think I have that schedule yet in my possession.

Senator ALLEN. Mr. Edwards has testified that the information was given to him by some person who was present on that occasion, or was in the corridors of the Capitol, so that the running back and forth from one room to another came under his observation. Now, that person we are seeking to identify, if possible. You may state whether there was any person present in the corridors at the time or at the door.

Senator CAFFERY. None that I recognized.

Senator ALLEN. Did you recognize any other person?

Senator CAFFERY. No Senator that I recognized was about the committee when I was there.

Senator ALLEN. Besides yourself, Senator Vest, and Senator Jones, there was no one else there but Mr. Durfee?

Senator CAFFERY. No one at all.

Senator ALLEN. At the time you were there I suppose you regarded the sugar schedule as not yet settled.

Senator CAFFERY. Not yet settled. I did not know what they were going to report.

Senator LODGE. To get that settled was the reason you went up there?

Senator CAFFERY. I knew nothing about it.

Senator ALLEN. Do you know a Col. Rickey?

Senator CAFFERY. I do not.

Senator ALLEN. Joe Rickey?

Senator CAFFERY. I do not.

Senator LODGE. On that day you were not aware of there being anybody else there on tariff business or sugar-schedule business?

Senator CAFFERY. No; I was not.

Senator ALLEN. You did not see Mr. Le Fevre, or Searles, or Terrill on any of these occasions?

Senator CAFFERY. I did not.

The CHAIRMAN. Or Myer or Havemeyer?

Senator CAFFERY. Myer nor Terrill I did not know and never had known them in my life.

The CHAIRMAN. You did not see Mr. Havemeyer at all?

Senator CAFFERY. He was not here, and I did not see him on any occasion except the two I have described.

Senator ALLEN. And never in the Finance Committee room?

Senator CAFFERY. No. He might have been before the committee when I was not there, but he never was before the committee when I was there.

Senator DAVIS. I understand you never saw him in any room in the Capitol?

Senator CAFFERY. Never did see him in any room in the Capitol.

Senator DAVIS. You met him as he was going out?

Senator CAFFERY. Yes.

SWORN TESTIMONY OF BENJAMIN LE FEVRE.

The CHAIRMAN. What is your full name?

Mr. LE FEVRE. Benjamin Le Fevre.

The CHAIRMAN. Where do you reside?

Mr. LE FEVRE. At Maplewood, Ohio.

The CHAIRMAN. Were you formerly a Representative in Congress from that State?

Mr. LE FEVRE. Yes.

The CHAIRMAN. What is your present occupation?

Mr. LE FEVRE. Practicing law.

The CHAIRMAN. Where?

Mr. LE FEVRE. In New York. Not in the general practice.

The CHAIRMAN. We have had before the committee a gentleman named Edwards, who, in an article published in the Philadelphia Press Monday, May 14, 1894, has made the following statement:

We had, upon the Sunday before the bill as first reported was sent to the Senate, a striking illustration of the absolute domination of the sugar trust over the Democratic members of the Finance Committee. That was an all-day-and-half-the-night

session, and upon the Sabbath day. In one room were the Democratic members of the Finance Committee, and also in a wing of the Capitol were the representatives of the sugar trust. There were Havemeyer and Terrill and Meyer, Ben Le Fevre, and others. These men sat as the rulers in a political convention sit in a place apart, yet within instant communication of those who are to act. They were running back and forth between the Finance rooms and the quarters occupied by the trust all day, etc.

I will ask you what you have to say in regard to that statement, the authority for which has not been given us by Mr. Edwards.

Mr. LE FEVRE. It is absolutely not true so far as I am concerned.

The CHAIRMAN. Were you ever in the Capitol with Havemeyer, Terrill, and Meyer?

Mr. LE FEVRE. Not to my knowledge. I know Mr. Terrill very well, and have for years; but I never had the pleasure of meeting Mr. Havemeyer or Mr. Meyer. I do not know them. I do not know that I have ever been in the Capitol with Mr. Terrill. I had but one conversation with him this winter, and that was at the Arlington. That was social; had no reference to this.

The CHAIRMAN. Were you ever with these men named in this article in the committee room of the Senate Finance Committee or any other part of the Senate wing of the Capitol?

Mr. LE FEVRE. Never.

The CHAIRMAN. On Sunday or any other day?

Mr. LE FEVRE. No day. I say I never met Mr. Henry Havemeyer. I know Mr. Theodore Havemeyer.

The CHAIRMAN. Did you ever meet Mr. Theodore Havemeyer in the Capitol?

Mr. LE FEVRE. Never. Never met him in Washington. Never saw him in Washington. Did not know that he was in Washington.

The CHAIRMAN. Do you know Mr. Meyer?

Mr. LE FEVRE. I do not.

The CHAIRMAN. Is that statement true or false?

Mr. LE FEVRE. Absolutely false. I have not been in the employ of the trust, and nobody connected with it, and have not been in the Capitol with them.

The CHAIRMAN. Have you ever been employed by the trust, or any person or persons connected with the trust, to represent their interests in Washington?

Mr. LE FEVRE. I have not.

The CHAIRMAN. Nor have you been to the Finance Committee, or Capitol, nor in Washington in their interests?

Mr. LE FEVRE. I have not. I have never owned a dollar of their stock—certificates, I believe they call them—and have neither bought nor sold it.

The CHAIRMAN. Have you ever been with any of them?

Mr. LE FEVRE. Never.

The CHAIRMAN. Did you ever have any conversation with any member of the sugar trust in regard to the tariff bill?

Mr. LE FEVRE. I have not—not that I am aware of, unless it is somebody that I do not know. I do not know Mr. Searle. I see by the papers that he represents them. I never met him.

Senator DAVIS. I ask when did you first see or hear of this article in the Press of May 14?

Mr. LE FEVRE. The first I saw of it was someone called my attention to it, and I instantly got the paper.

Senator DAVIS. When was that?

Mr. LE FEVRE. It was a day or two days afterwards.

Senator DAVIS. Was it in this city?

Mr. LE FEVRE. Yes.

Senator DAVIS. Before that article appeared had any newspaper man been to you to verify these facts?

Mr. LE FEVRE. Never. There was no reference made to it. If there was I did not know it.

Senator ALLEN. Did you ever give out any information upon which that statement could be based?

Mr. LE FEVRE. Nothing.

Senator DAVIS. The point is whether the man who wrote this newspaper article applied to you to verify it.

Mr. LE FEVRE. Never to my knowledge. If he talked about it it was in a way that I could have no knowledge of it.

Senator ALLEN. You said nothing from which such an inference could be drawn?

Mr. LE FEVRE. Not the slightest. I have not talked about it. I venture this assertion, that there is not a member in the Senate, or Representative in the House, whom I have ever said a word to about it. I have tried to recall to see if there was any foundation for it, but I can not recall a single conversation upon the sugar question either here or in New York.

Senator ALLEN. Did you ever meet or know Mr. Edwards, the writer of this article?

Mr. LE FEVRE. I have no knowledge of him. We meet a great many people, but I do not recollect him at all.

Adjourned to meet on Monday, the 28th instant, at 10 o'clock a. m.

WASHINGTON, D. C., *May 26, 1894.*

The committee met at 12 o'clock m.

Present, Senators Gray (chairman), Lindsay, Davis, and Lodge.

SWORN STATEMENT OF WILLIAM BOURKE COCKRAN.

WILLIAM BOURKE COCKRAN, being duly sworn, was examined as follows:

By the CHAIRMAN:

Q. Your name is William Bourke Cockran?—A. Yes, sir.

Q. What is your age?—A. I am 40 years of age.

Q. Where is your residence?—A. New York City.

Q. What is your occupation?—A. I am a member of Congress, and a lawyer.

Q. You are a member of Congress from one of the districts of the city of New York?—A. I represent the Twelfth district.

Q. You are a member of the present Congress?—A. I am a member of the present Congress.

Q. Do you know a man named Henry Walker, who represents himself as the correspondent of a New York paper?—A. Yes, sir.

Q. You can make any statement you wish with reference to what you may have seen published in the papers in regard to Mr. Walker as it relates to yourself.—A. My statement will refer to the evidence which he is alleged to have given, in which he refers to me as having stated to him that I had learned from the President or Mr. Carlisle, or

some other high Democratic authority, which is the latest form the statement has taken, that the sugar trust had either contributed to the Democratic party or had been kind to it. I never made any such statement to him or anything that could resemble it. Mr. Walker, one evening when I had called at the Arlington Hotel for the purpose of seeing Mr. Secretary Gresham, and while my card was on its way to Mr. Gresham's room, approached me and told me that he had been asked by his paper to ascertain if I were the attorney of the sugar trust. That, to the best of my recollection, is the form in which he put the question. I stated to him that I was aware that his newspaper was unfriendly to me, that his correspondence was uniformly unfriendly to me, that I had been misrepresented continuously, but nevertheless if he applied to me for information I would give it. He said he did. I told him that I had never been the attorney for the sugar trust; that in 1886 or 1887, when the attempt was made in the courts of New York State to invalidate the organization of the then sugar trust, I had been offered a retainer by Mr. Parsons, the attorney for the trust, on the proceedings in the Supreme Court; that those proceedings had been started by the Attorney-General as it was generally understood in obedience to or as the result of resolutions adopted by the political organization with which I was affiliated, and I did not think it right to accept a retainer in a legal proceeding that sprang out of the action of my own political organization, that I thought it might look as if I were trying to make law business out of my political affiliations, and that I declined, but that beyond that I never had any connection of any kind or character with it.

Now I should state that this conversation did not all occur at one time. When my card came back with the statement that Mr. Secretary Gresham was in, I went into the room and remained there probably three-quarters of an hour. On coming out this man waited for me in the hall, followed me out through the door, and accompanied me on my way toward my house. What part of the conversation occurred while the card was going in and what part occurred after I came out I am unable to say. But that is the substance of it. I never told him that any person had represented to me that the sugar trust was favorable to the Democatic party or had been kind to it. I certainly never mentioned the President's name or Mr. Carlisle's name; I never told him that I favored the duty on sugar, and I never told him that I had favored a duty on sugar.

As a matter of fact I had not voted for a duty on sugar in the committee. As a matter of fact I had refused to vote upon the whole sugar schedule when it came up in the Ways and Means Committee, or in the Democratic membership of it. I should state that in this talk he did not give me any information whatever that he had sent on an article of the character which afterward appeared. He simply represented to me that he was directed to ask that question. Then he made some comments as to the reasons which may have controlled the paper in urging that that inquiry be made. I think he followed me up as far as the corner of Fifteenth and K streets. He may have gone up to Scott Circle; I am not sure, but I know on the way, some place, I bade him good night and went home. The next morning an article appeared charging that I was the attorney of the sugar trust.

By Senator DAVIS:

Q. In the paper represented by Mr. Walker?—A. Yes, sir. The next morning an article appeared charging that I was the attorney for

the sugar trust; that I had induced the committee to put a duty of a quarter of a cent per pound on sugar, and that two members of the committee, who were nameless, had given him that information. From the date of this interview, which occurred over night, I never had any conversation with him whatever. I never called upon him; I never sought him out; I never made any explanation of any kind or character.

Q. When was this?—A. Mr. Lodge, you remember the time. I should think it was some time in January or February; it was in January.

By Senator LODGE:

Q. Before you reported the bill?—A. No; after we reported the bill and before we took the final vote.

Senator LODGE. I do not recall the date.

The WITNESS. It was before we took the vote in the House, and while the bill was pending.

By Senator DAVIS:

Q. You think it was in the month of January?—A. I think it was in the month of January that the article appeared. As bearing upon the probabilities of my having made any such statement, I may state that we had a meeting of the Democratic membership of the Committee on Ways and Means, I think, that night. I called attention to this article, and every person present said that no information came from him, and the whole 11 were present. Every one of them concurred in denouncing it as utterly and atrociously false. For my part, for the same reason that I never have voted on a bill affecting the District of Columbia, because my wife owns a house here, I would not vote upon the sugar schedule, because I knew both of the Havemeyers very well.

By the CHAIRMAN:

Q. You were on friendly relations with them?—A. Certainly. Theodore Havemeyer lives within a few doors of me, and is a constituent of mine. Henry Havemeyer was a constituent of mine in the old district. I have known them for years. I have gone through their building; I have seen how the work was done. When the question came up in the committee as to fixing the amount of the tariff on sugar, I think the first proposition was three-tenths or three and one-half tenths of a cent, and the other was one-fourth of a cent. There was no proposition for free sugar. When I speak of the committee I speak of the Democratic membership. On the vote for three-tenths or three and one-half tenths I stood silent, and by my refusal to vote it was lost. On the next vote the rate was fixed at one-fourth of a cent, and the committee was unanimous. Although I did not vote, there was no dissenting vote. This was the whole transaction, except that we took the matter up at 9 o'clock in the evening and got through about midnight, and then, upon my motion, it was decided to make public the sugar schedule and the sugar schedule alone.

Q. For what purpose?—A. So that there could not be any speculation upon it by Monday morning because of any information which might leak out of the committee, and whether it did or not that there should not be any accusation about it, that the information should be given to the world.

By Senator DAVIS:

Q. Let me ask you a question which occurs to me with reference to my recollection of what Mr. Walker said. Did you ever hold any pro

fessional relations with the Havemeyers?—A. No, sir; I never had any professional relations at all with them.

Q. Or with any member of the sugar trust?—A. No; that is, that I know of.

Q. Or with the sugar trust?—A. No; you know the present sugar trust is not the sugar trust that offered me the retainer. I suppose you remember that I told you that I was offered a retainer way back in 1886 or 1887. I do not know what year it was, but it was well known, because it was the case which was brought by the people of the State of New York on the relation of the Attorney-General against the North River Sugar Refining Company. It was the case on which they tested the trust agreement, under which all these corporations had deposited their stock with certain trustees. On that I was offered a retainer when the proceedings were begun.

Q. And you declined?—A. I declined. After that the court sustained the case and dissolved this corporation, which was one member of the trust. Then, as I understand, although I have no knowledge of it, they reorganized and instead of being a trust they were a corporation.

Q. And you never held any professional relations with either?—A. No, sir. I have had nothing to do with either beyond what I have told you.

By Senator LODGE:

Q. You had no subsequent conversation with Mr. Walker?—A. None whatever, of any kind or character, concerning this matter. I never made any explanation. On the contrary, you will find in some of the papers the next day, that when I was asked about it I said I should not say anything until a reputable paper fathered it, and that if some reputable paper fathered it I should take notice of it. I think you will find that in the New York World. As to Walker, I had no conversation at all with him as to that, except that on Friday, a day or two before the vote was taken in the House on the tariff bill, I was passing through the lobby and he said Mr. Croker was in the Speaker's room and asked me if I was going in there. I said no, that I was busy on the floor. Beyond that I have had no conversation with him at all that I recall. Still, I may have seen him or passed some words with him.

Q. That was the only conversation you have ever had with him in regard to the matter?—A. Yes, sir; the one I have described before the article was published, and before I had any idea as to what he was going to say.

By the CHAIRMAN:

Q. Is there anything else you wish to say?—A. I am in the middle of the trial of a law case, and am going back this afternoon. I hope to return Monday or Tuesday. If there should be any occasion for it, if anything further should be said which concerns me, I hope the committee will notify me.

Q. You came here for this purpose?—A. Yes, sir, and for no other, in pursuance of a telegram which I sent to the chairman as soon as I read this in the morning paper. Of course, I did not know what Mr. Walker had said, whether it was more or less than was published, and I telegraphed the chairman for that reason.

At 12 o'clock and 10 minutes p. m. the committee adjourned.

WASHINGTON, D. C., *May 29, 1894.*

The committee met pursuant to adjournment.

Present: The chairman (Senator Gray), Senators Lindsay, Davis, Lodge, and Allen.

SWORN STATEMENT OF SENATOR DANIEL W. VOORHEES.

The CHAIRMAN. You are a Senator of the United States from the State of Indiana?

Senator VOORHEES. Yes, sir.

The CHAIRMAN. And have been such during the present session?

Senator VOORHEES. Yes, sir.

The CHAIRMAN. You are chairman of the Finance Committee of the Senate?

Senator VOORHEES. Yes, sir.

The CHAIRMAN. And have been such during the present session?

Senator VOORHEES. Yes, sir.

The CHAIRMAN. Are you a Democratic member of the Finance Committee?

Senator VOORHEES. Yes, sir.

The CHAIRMAN. I read from a letter in the Press of Philadelphia, published May 14, 1894, and as to which we are directed by resolution of the Senate to inquire, this statement:

Upon one occasion, sometime in February, when the Finance Committee, or the Democratic members of it, were in perhaps informal session, there came into the room, unexpectedly to all those present excepting two members, none other than the Secretary of the Treasury, Mr. Carlisle. His going there at that time has never been reported until this writing of it. He went secretly and came away secretly. His visit was supposed to be a confidential one. It was a confidence not imposed upon one member of that committee, and, therefore, it is possible now to make report of what Mr. Carlisle said. They looked upon him as speaking not so much for Mr. Carlisle as for the administration. He did not say that he came from the President, but when he had finished making his astonishing statement not one of those who heard him doubted that he had come from the President and was echoing the President's wishes and giving emphasis to them by an earnest and, for him, excited manner. What he said is quoted from remembrance, but it is substantially accurate as it was reported by one who heard it.

Gentlemen, there is one thing that I am bound to say to you as earnestly and impressively as I can do it, and I speak to you as a Democrat to Democrats. No party, or the representatives of no party, can afford to ignore honorable obligations. I want to say to you that there seems to be danger that this is going to be done. Gentlemen associated with the sugar-refining interests (I may tell you what perhaps

you do not know) subscribed to the campaign fund of the Democratic party in 1892 a very large sum of money. They contributed several hundred thousand dollars, and at a time when money was urgently needed. I tell you that it would be wrong, it would be infamous, after having accepted that important contribution, given at a time when it was imperatively needed, for the Democratic party now to turn around and strike down the men who gave it. It must not be done. I trust that you will prepare an amendment to the bill which will be reasonable, and in some measure satisfactory to these interests.

What have you to say, Senator, in regard to that statement by the writer of that article?

Senator VOORHEES. Neither in the committee room nor in any other place did I ever hear Secretary Carlisle utter one word of the matter there attributed to him. I never heard the subject discussed by him, nor, I may say, by anybody else, until within the last few days, when it was floating around in the newspapers and in the air. I never talked with Mr. Carlisle on the subject of sugar but once, and that was in the office of the Secretary early in the tariff work, when we discussed the question of the polariscopic test and the question of specific or ad valorem duties. The Secretary was at his desk in the Department. With that exception I never exchanged a word with Mr. Carlisle on the sugar subject, that I now remember.

The CHAIRMAN. When you say you never talked to him, do you mean that you never heard him talk?

Senator VOORHEES. That is what I mean—that I never heard a word uttered by him in regard to the matter attributed to him in the article you read. It is made out of whole cloth. I have never seen him in the committee room under such circumstances; I have seen him in the committee room as openly as anybody else, but never on that subject. I never heard the question of contributions by the sugar trust discussed by the Secretary of the Treasury nor, indeed, amongst ourselves. I never saw Mr. Havemeyer. I would not know him if he walked in here. I do not know a human being who belongs to the trust, so far as I know. I may know people who belong to it, but I do not know the fact. I never knowingly exchanged a word with anybody belonging to it.

Senator LODGE. I would like to ask the Senator a question in regard to that statement about the memorandum there that alludes to him particularly.

The CHAIRMAN. The writer goes on to say that:

Mr. Carlisle said but little more; he had said enough. He turned and left the committee, going away with that secrecy with which he came, but before he did so he signified his willingness himself to prepare an amendment which he thought would be fair to the Government and yet be just to the sugar interests.

That very thing he did not long after. The chairman of the Finance Committee received and showed to certain favored friends the draft of an amendment, in Secretary Carlisle's own handwriting, to the sugar schedule, and that draft is in Mr. Voorhees's possession to this day, unless he has destroyed it. Secretary Carlisle had scratched out from the printed schedule the provisions as originally made, and by interlineation had inserted the following words: "On all sugars not above No: 16 Dutch standard, and on all"—after the word "all" the printed form remained in which mention was made of other sugars, and then this interlineation: "Instead of one-eighth of 1 per cent, 45 per cent ad valorem."

Senator VOORHEES. The statement there, or any other statement, which says that such a memorandum was made and given to me is utterly false. I never saw such a paper and I never heard of it until recent publications. The statement that it is in my possession now or ever has been is absolutely false. I have never had such a paper. I have never seen such a paper and I have never heard of such a paper until newspaper publications, in the last ten days, perhaps. If Mr. Carlisle made a memorandum on the sugar question I never saw it, in

his handwriting or any other handwriting, that I know of. If he ever communicated anything on the sugar schedule to the committee he did it to somebody else beside me, not to me.

The CHAIRMAN. I find in this article this statement also——

Senator VOORHEES. One moment. Mr. Carlisle was in communication a great deal with the committee. We sent for him repeatedly; I corresponded with him from the committee room to the Treasury Department in relation to various matters and received various communications from him, but nothing of this kind—touching the sugar question.

The CHAIRMAN. I ask you how long you have been chairman of the Finance Committee?

Senator VOORHEES. Since March, 1893.

The CHAIRMAN. When were you made a member of the Finance Committee?

Senator VOORHEES. I was made a member of the Finance Committee within a few days after I entered the Senate, and have been so ever since. I came into the Senate November 12, 1877, nearly seventeen years ago.

The CHAIRMAN. And have been on that committee ever since?

Senator VOORHEES. Yes, sir.

The CHAIRMAN. I will ask you whether it is the habit of the Finance Committee in considering matters of finance to consult the Secretary of the Treasury?

Senator VOORHEES. Undoubtedly so. We consider bills touching financial legislation and refer them to the Department and ask information from that Department as if the Secretary of the Treasury were an *ex officio* member.

The CHAIRMAN. Has that been the custom ever since you have been a member of the committee?

Senator VOORHEES. Always; and I believe since the foundation of the Government.

Senator LINDSAY. Has it been customary to receive suggestions—unsolicited suggestions—from the Secretary of the Treasury?

Senator VOORHEES. Oh, yes; we would not think it strange at all. It is a very customary and proper thing.

Senator DAVIS. Is it customary for the Secretary of the Treasury to go to the committee room and sit down and consult with the committee?

Senator VOORHEES. Yes, sir; we would not be at all disconcerted or surprised if the Secretary of the Treasury were to walk in at any time and say that he wanted to talk of matters concerning the business of his Department. We would receive his suggestions with great respect.

The CHAIRMAN. Has that always been the custom?

Senator VOORHEES. Always, so far as I know.

The CHAIRMAN. In the same article appears this:

We had, upon the Sunday before the bill as first reported was sent to the Senate, a striking illustration of the absolute domination of the sugar trust over the Democratic members of the Finance Committee. That was an all day and half the night session and upon the Sabbath day. In one room were the Democratic members of the Finance Committee, and also in the wing of the Capitol were the representatives of the sugar trust. There were Havemeyer, and Terrill, and Meyer, Ben Le Fevre, and others. The men sat as the rulers of a political convention sit in a place apart and yet within instant communication of those who are to act. There were runnings back and forth between the Finance rooms and the quarters occupied by the trust all day. Everything had been arranged up to the point of satisfying the Louisiana Senators. Even the trust realized that it was necessary for the trust to placate hese Louisiana men, or else there would surely be two votes against the bill. It

was a question of compromise, each side giving a little and taking a little. At one time it seemed as though the whole negotiation must go to pieces. Never was there more desperate battle between conflicting interests in the committee rooms of the Capitol. At last, late that evening Senator Caffery drafted a schedule, Mr. Havemeyer looking over his shoulder and the other members of the sugar trust watching the Senator with eyes that fairly glittered, so one Senator who saw the spectacle afterwards reported. It was the crucial moment. When Senator Caffery had finished, the sugar trust read his draft, reluctantly accepted it, it was taken to the room of the Finance Committee and there accepted, the victory won and the original draft is still in the possession of the committee in Caffery's handwriting and with the approving marks of the sugar trust upon it.

Senator VOORHEES. There is not a single word of truth in the article—not a word.

The CHAIRMAN. Do you recollect a Sunday on which the Democratic members of the Finance Committee were in session all day and in which there were in a room, at the Capitol, representatives of the sugar trust—Havemeyer, Terrill, Meyer, Ben. Le Fevre, and others?

Senator VOORHEES. No, sir; nothing of that kind, to my knowledge. I have been in the Finance Committee room a half dozen Sundays at work. Sometimes members would be there; I have worked repeatedly with Senators Vest, Jones, and McPherson. I have never heard of anybody else being in the Capitol in another room at such times. This is the idlest fabrication I could imagine. I do not know a single human being named in that trust, or party, except Ben. Le Fevre. I know him well and he never spoke to me on the subject any more than that man there (indicating Mr. H. H. Smith, clerk to committee).

The CHAIRMAN. So far as has been told to you, did what I have read to you, as stated by this writer, take place there on Sunday or any other day?

Senator VOORHEES. No; not a word of it so far as I know, or have been told; nothing like it.

Senator DAVIS. Is any single one of those statements true, to your knowledge?

Senator VOORHEES. None of those statements are true, to my knowledge, in any form.

Senator LINDSAY. Did you ever see or hear of a paper supposed to have been written by Mr. Caffery?

Senator VOORHEES. Never; in fact, I never saw this newspaper article until now. It is new to me. I had never heard of Senator Caffery writing anything that came before the committee. I never heard Senator Caffery charged with putting anything down in writing for our consideration before. If he ever communicated with a member of the committee, which he may have done, he did so with some other member; he never did with me.

Senator LINDSAY. You did not hesitate to talk with Senators who seemed to be interested in this way, or anybody else?

Senator VOORHEES. I always talked with anybody, especially members of the Senate, willingly and gladly; consulted right and left.

The CHAIRMAN. Did you consider it your duty to listen to all who claimed to be affected in their business interests by the tariff bill?

Senator VOORHEES. All. I had invitations out for Senators to come and be heard. We were working under a great deal of strain. So far as our relations to these trust matters are concerned, their managers never came near me; I did not know them. I have been here many years, and such folks have never called on me. I did not know that any of them were in town.

I may say one word more. I have been out of health for some time back, and while I was a faithful worker in committee and was there

nearly all the time, there were times at night meetings and the like when I was not able to participate in them, and for that reason Senator Jones and Senator Vest, and Senator Mills for a time, at my request, devoted themselves to the details of this measure. I kept up with the work, knew what was going on, and kept in touch with its management; but they did the detail work. Mr. McPherson assisted largely, but he was out of health a good deal of the time also, so that largely the work on this bill is due to Senators Vest and Jones and Mills, of Texas. Mr. Mills was taken on the committee for a time, and he did a good deal of work in place of Senator McPherson. So when we came into the Senate I asked Senator Harris to take charge of the management of the bill on the floor. His large experience and parliamentary knowledge fitted him for it, and I relied on the gentlemen who had framed the details to manage them in debate. For that reason I have not taken as much part as I otherwise would, but I have been in the main current of affairs in the formation of the bill and have kept in touch with it all the time, and I do not think anything such as charged in the newspapers could have taken place without my knowledge.

SWORN STATEMENT OF SENATOR GEORGE G. VEST.

The CHAIRMAN. You have been already sworn by this committee during this investigation?

Senator VEST. Yes, sir.

The CHAIRMAN. You are a member of the present Finance Committee of the Senate?

Senator VEST. Yes.

The CHAIRMAN. How long have you been such?

Senator VEST. During this Congress, I believe. I was appointed when we organized the committee at the beginning.

The CHAIRMAN. And you have been acting as such?

Senator VEST. Yes.

The CHAIRMAN. You are a Democratic member of that committee?

Senator VEST. Yes.

The CHAIRMAN. In a letter to the Philadelphia Press, published on May 14, 1894, signed "Holland," there is this statement [reading the paragraphs read to Senator Voorhees, as above given].

What have you to say to the statements of the writer of that letter as I have read them?

Senator VEST. I do not know anything about it. Nothing of that kind occurred in our committee. Mr. Carlisle, Secretary of the Treasury, was in our committee room several times and he consulted with us in regard to the tariff bill and expressed great anxiety that we should agree upon some measure, and that it should become a law, but made no such statements as are contained in that correspondence that the sugar trust had given several hundred thousand dollars and that we were under any obligation as a party or otherwise. So far as I know it is a piece of fiction.

Senator LODGE. He never alluded to the sugar trust?

Senator VEST. I never heard of it.

The CHAIRMAN. Were you an active member of the Finance Committee on the Democratic side of it during the preparation of that bill?

Senator VEST. I think so. I was at every meeting, and at work except a few hours for sleeping and eating—a few hours a day. There was a good deal more work than I expect to do again on any public

measure. To be frank, we have had such difficulties that I do not think have been encountered by men making a tariff bill; all sorts of difficulties.

The CHAIRMAN. Did the representatives of moneyed interests affected by that bill come before that committee?

Senator VEST. We never had any public hearings. Of course you could not put your head out of the committee room without being attacked by somebody. Mr. Hamlin, Assistant Secretary of the Treasury, came to our committee room, and Mr. Carlisle came there too, but no such statements as what you have read took place.

The CHAIRMAN. Do you understand that it is usual for the Secretary of the Treasury to consult with the Finance Committee or members of it during the preparation of a tariff bill?

Senator VEST. I understand so. I have been here sixteen years, and I have always found that to be the case. In fact, I went to Mr. Carlisle when Mr. Cleveland was first elected and Mr. Carlisle was appointed Secretary of the Treasury, and suggested to him that he consult then with members of the Finance Committee of the Senate—the House had not organized its Ways and Means Committee—in regard to the details of that tariff bill or the general outline. That indicates pretty clearly what I thought of the proper functions of the Secretary of the Treasury in connection with that matter. And frequently—I say several times—when we would have questions before us giving us a great deal of trouble—and we had a good many of them—one of us would either go and consult Mr. Carlisle or send for him. We did it for two reasons: First, because he was Secretary of the Treasury; secondly, because he had a great deal to do with tariff legislation and a great deal of experience in the matter.

Senator DAVIS. That article states that on the occasion referred to, when Mr. Carlisle was leaving the room, he himself was prepared to perfect a measure in regard to sugar that was talked about, and shortly afterward he did so. Do you know anything about that?

Senator VEST. I have an indistinct recollection of Mr. Carlise drawing up at the Treasury Department a provision in regard to sugar. I do not know who received it, and I do not know that I ever saw it.

The CHAIRMAN. Do you know whether he made a statement of that kind when he was in the room, or leaving the room, as stated in that article?

Senator VEST. I have not. I recollect this, but I could not state the date, when we were talking about the sugar provision, or some other, somebody said to Mr. Carlisle, when he was about to leave, "Well, suppose you formulate that suggestion," or something that was to that effect.

The CHAIRMAN. Did he afterward do so?

Senator VEST. I am not clear about that. I think possibly he did bring it back, but whether it was when I was in the committee room I can not state.

The CHAIRMAN. Was it the one that was reported?

Senator VEST. Oh, no.

The CHAIRMAN. If he did do it, had it any connection with any such speech as is here stated in regard to the sugar trust?

Senator VEST. No, sir. He had nothing whatever to do with the sugar schedule as reported—nothing at all.

Senator LODGE. You mean as finally reported?

Senator VEST. As it is now in the bill. That was prepared by Senator Jones and myself, and submitted to the balance of the committee.

The CHAIRMAN. Mr. Carlisle had nothing to do with that?

Senator VEST. Nothing in the world. Of course, he talked about it with us, and he made calculations and figured up what would be the effect of this duty or the other, and the difference between polariscopic tests and ad valorem, as gentlemen always do in regard to framing the tariff. But as to his coming to us with any suggestion that would aid the sugar trust, or any other interest, is all stuff.

The CHAIRMAN. Further in the same letter is this statement:

To go back a little. After Mr. Carlisle's address to the Finance Committee, after the meeting between Mr. Havemeyer and Senators Brice and Smith, there occurred an extraordinary thing in the Finance Committee. Senator Vest made a statement which caused Mills to look upon him with amazement, to regard him with suspicion, and some of the other members of the committee to eye one another furtively. The Senator said that he did not see why a duty of one half of a cent upon raw sugar did not afford sufficient protection to all the sugar interests of this country. If Mr. Vest were a new Senator, such an astonishing assertion as that might have been ascribed to ignorance; but he has been through tariff bill after tariff bill. He looks upon himself as something of an expert, and he must have known that his statement was ridiculous. In view of his earlier position it seemed not only ridiculous, but strange. It even caused one Senator to say to another, "Vest has flopped." But he followed it with another even more extraordinary statement. He said that in view of the excitement over the sugar schedule he had been compelled to ask his personal friend, Mr. Joe Rickey, to deprive himself for the time being of the delights of personal intercourse with him, because if he was seen so much in Rickey's company just then it might cause suspicion to be aroused.

Suspicion of what? Mr. Rickey is a speculator upon the market of more than local repute. He knows how to buy and how to sell. He is reputed to have made several fortunes because he has let his speculative instinct have his way with him. Did Senator Vest mean to intimate that it might be said, if he changed his action in regard to sugar, that his relations with Mr. Rickey would cause it to be suspected that Mr. Rickey might have gone upon the market having the advantage of prior knowledge that would boom sugar stocks?

Senator VEST. That is simply a lie out of the whole cloth. There is not a scintilla of fact in it, so far as my suggesting a one-half cent duty on sugar is concerned. I was for free sugar, and I was finally compelled to favor, under the polariscopic test, 1 cent a pound on raw sugar and no duty on refined sugar. That was our first bill and speaks for itself.

The CHAIRMAN. Did those difficulties which you speak of arise from the claims of the Louisiana Senators?

Senator VEST. Yes, sir; and from the difference of opinion between Democratic Senators as to what was a fair differential duty to the refiners. The first demand—I use the word "demand," possibly that is too strong—was a quarter of a cent on the refining interests and a duty of 33⅓ per cent ad valorem on all sugars. Mr. Havemeyer filed that in the committee, and I have it in my drawer, 33⅓ per cent ad valorem and a quarter of 1 cent differential besides.

Senator DAVIS. On raw sugar?

Senator VEST. On raw and refined 33⅓ per cent, and then on the sugars over 16 Dutch standard a quarter of 1 cent. That we rejected; Senator Jones and myself were doing the work principally and said it was utterly inadmissible. Then a good deal of talk was had about it and finally we said we would agree to one-eighth.

The CHAIRMAN. One-eighth differential?

Senator VEST. One-eighth differential on the refined. We came to the conclusion that there must be a duty on raw sugar. The first difficulty was in the duty on raw sugar in regard to the polariscopic test or ad valorem, and we took the polariscopic test, with an equivalent of 1 cent on raw sugar and no duty at all on refined. The bill speaks for itself. Then after considerable controversy—for there was a great deal of trouble over this sugar interest, which was very aggres-

sive, both from the Louisiana producers and the refiners—we finally agreed to 40 per cent ad valorem and one eighth, but the refiners asked a quarter; and at last we made this bill as it is now. Every member of the Senate and committee knows as well as he knows my name that I was opposed to any duty on sugar if we could avoid it. I was for the bill as it came from the House of Representatives. Any man who intimates differently states a falsehood.

As to Rickey, I never had a word with Mr. Rickey about sugar. Possibly he may have said something to me at some time or another, but I do not remember it; and certainly never gave him any information. I never had anything to do with him or anyone else in the way charged. He came to my house several times, but I did not see him; I was very busy. He is from my State and acquainted with my family, and I am not on such a pedestal as to refuse to speak to him or any other constituent. I never gave a person the slightest indication of what we were doing or about to do. I never had any interest, either remote, contingent, or otherwise, in speculation with Rickey as charged or with anyone.

The CHAIRMAN. Did Mr. Rickey ever try to get information from you as to what was going on?

Senator VEST. Never. He never said a word to me about it, and would not dare to come to me about it. All these charges are lies.

Senator DAVIS. When did you first hear of this statement?

Senator VEST. Which statement?

Senator DAVIS. The one that Mr. Gray read you from the newspaper.

Senator VEST. I think I heard of it from someone else, but Senator Gray spoke to me and asked me if I had read it. I never heard it read until now.

Senator DAVIS. You have been in town during the last few months?

Senator VEST. Yes, sir, I have; but I did not see the newspaper.

Senator DAVIS. Did any newspaper man come to you and state what the fact was and ask you to give him an explanation?

Senator VEST. Never. The first intimation that I had that any such statement was made, some Senator—I don't know who he was—asked me if I knew that this villainous statement was made in the Philadelphia Press. I said I never read the Press and had no information about it. That was my first intimation that any such publication was made. Afterwards the chairman of this committee, Mr. Gray, came to my seat in the Senate and said to me: "You ought to read that statement in the Press in which your name is mentioned." I told him I had never seen it, that I did not care anything about such publications, and he said there were two things in the statement I ought to see. I never read the article, and this is the first time I have heard it read.

Senator LODGE. You referred to the demands of the producers and refiners?

Senator VEST. Yes, sir.

Senator LODGE. Did they make the same demand, or did one desire one kind of duty and another another?

Senator VEST. No; the producers wanted the polariscopic test.

Senator LODGE. That is, the specific?

Senator VEST. Yes, sir, the specific; that is a different name for it. They wanted the polariscopic test, or the specific, and the refiners wanted the ad valorem. That was the way they stood. I did not want either, to tell the truth. I preferred the Wilson or House bill. What was put in there was put in because I could not help myself.

The CHAIRMAN. Further in the same letter there is this statement, and this was read to Mr. Voorhees:

We had, upon the Sunday before the bill as first reported was sent to the Senate, a striking illustration of the absolute domination of the sugar trust over the Democratic members of the Finance Committee. That was an all-day and half-the-night session and upon the Sabbath day. In one room were the Democratic members of the Finance Committee, and also, in the wing of the Capitol, were the representatives of the sugar trust. There were Havemeyer and Terrell and Meyers, Ben Le Fevre, and others. These men sat, as the rulers of a political convention sit, in a place apart and yet within instant communication of those who are to act. There were runnings back and forth between the Finance rooms and the quarters occupied by the trust all day.

Now, what have you to say in regard to that statement?

Senator VEST. I do not know anything in the world about it. I do not know what Sunday they refer to.

Senator LODGE. The Sunday before the bill was reported is the Sunday.

The CHAIRMAN. Before the bill first reported was sent to the Senate.

Senator VEST. We worked every Sunday. I could not carry my memory back to that particular Sunday, but I can say that I never had anything to do with the sugar trust, or any member of it, and if they were in the Capitol I did not know it, and if there were any communications from them I did not know it. As to Mr. Caffery drawing any schedule, I do not remember it. Of course he had schedules brought there in the interest of his people.

Senator LINDSAY. Not there in the interest of sugar and Mr. Havemeyer?

Senator VEST. The only thing suggested by Mr. Havemeyer was his written communication, which I have, in which he asked for 33⅓ ad valorem and one-fourth of 1 cent differential. That was in writing; I have it.

Senator LODGE. Did you see him personally?

Senator VEST. I know that I saw him once. He came to my house. There were a number of people there. He brought his samples and spread them out on the table and explained to me the difference between sugars and what he wanted—an argument for ad valorem. I heard what he had to say, as I heard everybody else. There was no secrecy, no concealment.

The CHAIRMAN. There was no reason for secrecy?

Senator VEST. I had none.

Senator LODGE. That was the only time you saw him?

Senator VEST. He might possibly have called at my house once before, the evening before, but I am not clear about that; not more than twice, however, and then publicly, in regard to this matter, representing his views in regard to it, but just as any manufacturer would come. My house was full of them all the time.

Senator DAVIS. Louisiana people came too?

Senator VEST. Delegations of them; Mr. Dymond and all of his crowd of Louisiana people came to my house, representing their interests in my parlor and sitting room.

The CHAIRMAN. Did other persons interested in the schedules come to your house?

Senator VEST. Yes, sir; every night, and every morning before I was out of bed.

The CHAIRMAN. I mean other interests than the sugar interests?

Senator VEST. Of course; there were letters of introduction from people I did not know personally. I got personal letters from my col-

leagues in the Senate and House, and friends, asking me to give those gentlemen a hearing; and I would do so, of course.

Senator LODGE. Do you remember the presence of the sugar trust as described in that article which has been read.

Senator VEST. No; if they were in the Capitol at the times we were in session, I did not know it.

The CHAIRMAN. Was there any contest over the sugar schedule on the Sunday before the bill was reported?

Senator VEST. No, sir; not more than any other time. The contest all the time was between the producers of sugar and the refiners, and was not only in regard to the amount of duty but the manner in which it should be levied. I understood all the time the refiners wanted the ad valorem and the producers wanted the polariscopic specific.

Senator DAVIS. That was the same thing.

Senator VEST. The same thing. The first bill we drew had nothing but a specific duty on raw sugar.

Senator LODGE. And this present bill has the ad valorem duty?

Senator VEST. The result of the very long discussion was this compromise, just as is the case with any other tariff bill. There was never any contemplation of a half-cent duty; so far as my ever suggesting it, I was at the other extreme. I wanted free sugar. I had no concealment about it. I agreed to this duty to make a bill. I thought the worst thing for my party and for my country would be to keep the McKinley bill on the statute books, and when I could not get as much as I wanted, I took all I could get. I am guilty of that.

The CHAIRMAN. Do you know a correspondent of the press named Harry Walker?

Senator VEST. No, sir. There are a great many I meet that I do not know again. Possibly I know him.

Senator LODGE. He is a correspondent of the Post-Dispatch..

Senator VEST. I would not know him; they are changing correspondents so much.

Senator LODGE. I will now ask you in regard to certain testimony given before the committee by Mr. Walker. He says:

I have mentioned about go-betweens in the trust who would go to Senators, one besides Senator Brice.

Senator LODGE. Who was that Senator?

Mr. WALKER. Senator Vest.

Senator LODGE. Who was the go-between?

Mr. WALKER. Joe Rickey.

The CHAIRMAN. Did you see Mr. Rickey and other members of the trust with Senator Vest?

Mr. WALKER. I have seen Joe Rickey with Mr. Vest, and in a little while go with Mr. Reed or Mr. Terrill and get in a quiet spot and talk. I charged that in the Post-Dispatch. It was stated that it was believed as an absolute fact. I gave my reasons for believing it.

The CHAIRMAN. When did you see Mr. Rickey in company with Senator Vest?

Mr. WALKER. I did not say when, because some time elasped.

The CHAIRMAN. On how many occasions?

Mr. WALKER. Only one occasion.

The CHAIRMAN. When was that?

Mr. WALKER. At Chamberlain's one night.

The CHAIRMAN. Where?

Mr. WALKER. It was in the public room.

The CHAIRMAN. Mr. Vest and Mr. Rickey?

Mr. WALKER. Yes.

The CHAIRMAN. How long were they together?

Mr. WALKER. I can not say. I was passing through the hall.

The CHAIRMAN. How long afterwards did you see Mr. Rickey—with whom did you say?

Mr. WALKER. Terrill.

The CHAIRMAN. How long afterward?

Mr. WALKER. I could not say; inside an hour, and it may be less; because I remember that night, I think, I went to the telegraph office and was there some time, but when I came back to the Arlington I saw Mr. Rickey.

The CHAIRMAN. You saw Mr. Rickey at the Arlington with Mr. Terrill after having seen him an hour before that with Mr. Vest?

Mr. WALKER. Yes; I have seen Mr. Rickey around the Finance Committee room door.

Senator DAVIS. When was this that you saw Mr. Rickey around the Finance Committee room door?

Mr. WALKER. That I can not remember; it was very early in the history of the bill.

The CHAIRMAN. How long after the tariff bill came over to the Senate.

Mr. WALKER. I do not think it had come to the Senate. It was out of the Ways and Means Commitee of the House, and I think during the House debate.

Mr. WALKER. I never mentioned but two names of Senators. I may have referred to Senators by name saying that I did not believe such and such a statement made in another newspaper, but the only names I have used were Senator Brice and Senator Vest. I have used Senator Vest's name entirely on instructions from the Post-Dispatch. I refused because I knew they were inclined to be sensational on the subject. I refused to follow up the tariff, and on that ground they took it out of my hands and put it in the hands of the World's bureau. Mr. Pulitzer owns both papers. There was a good deal in regard to Vest that I did not send at all. It was sent by the World's bureau.

The CHAIRMAN. But you had instructions from the Post-Dispatch to connect Mr. Vest and Rickey?

Mr. WALKER. Yes.

The CHAIRMAN. What was the nature of the instructions?

Mr. WALKER. There was something printed in the World, and I got a dispatch to follow up that article in that line. The instructions were reiterated.

Senator DAVIS. I do not understand you to say that you saw Senator Vest at the Arlington?

Mr. WALKER. No; I saw him at Chamberlin's.

Senator LINDSAY. How often were you communicated with by the Post-Dispatch in reference to Mr. Vest and Joe Rickey being connected?

Mr. WALKER. This once particularly and in things I have seen.. I have had one or two dispatches saying: "Keep up that line; send more of it; it is not enough." I remember once I sent a short dispatch and they said something like a few hundred words would be better.

Senator LINDSAY. That is in the line of connecting Senator Vest with Joe Rickey?

Mr. WALKER. Yes.

Senator ALLEN. Did the Post-Dispatch manager seem to have a desire to connect Senator Vest with these transactions?

Mr. WALKER. I do not know. I think the Post-Dispatch was Senator Vest's organ out in Missouri for a number of years. It always claimed to have the credit of sending him to the Senate. Everybody out there knows Joe Rickey's reputation.

Senator ALLEN. Did they manifest a desire to have you connect Senator Vest with these matters when there was no evidence?

Mr. WALKER. Yes. There was an article which appeared written by a member of the staff of the World on Saturday night. The World matter always goes to the Post-Dispatch. This article was written by Dr. Bowen. That was sent out, and that is what interested them. Of course, they asked me to follow it up. In that article the first allusion was made to Rickey and Senator Vest.

Senator LINDSAY. It was after that that you remember seeing Rickey and Senator Vest together at Chamberlin's?

Mr. WALKER. I did not mention Vest and Rickey first by name, but in some conclusions I drew in the Daily America. I started writing up the trust along back before Christmas.

Senator LINDSAY. Did you hear anything that Senator Vest said to Rickey, or Rickey to Senator Vest, in Chamberlin's, on the occasion of which you speak?

Mr. WALKER. No.

Senator LINDSAY. And an hour afterward you saw Rickey with Terrill. Did you hear anything said by Terrill to Rickey or Rickey to Terrill?

Mr. WALKER. No.

That is all that relates to Senator Vest here.

The CHAIRMAN. Do you desire to say anything in regard to that?

Senator VEST. Only what I have said. I do not think I was at Chamberlin's for two months or more more than twice, and if I met Rickey I do not remember it. I certainly never had any conversation with him about sugar, and never gave him any information, and do not know where he went from Chamberlins; if I was there, and at a table with him, I have no recollection of it. I might possibly have been sitting there and Rickey joined me, or something of that sort, as might happen to anybody. But I certainly gave him no information, or had any conversation with him in regard to any sugar speculations.

Senator LINDSAY. Do you know anything about his having sugar speculations?

Senator VEST. No; I don't know anything about it.

The CHAIRMAN. Or any partner with him; have you been a partner with him in any sugar speculations?

Senator VEST. No, sir; I had nothing to do with any such thing. As to the statement of this man Walker that he saw him around the Finance Committe room door while the bill was pending in the House, we did not take up this bill for a week or ten days after it came from the House, and then not in the Finance Committee, but in my Committee on Public Buildings and Grounds. There was no meeting of the Finance Committee until sometime after the bill came over from the House. I think it passed the House February 1. It was reported to the House December 20, and passed February 1, and if Rickey was around the Finance Committee room he was there on some other business, as the tariff bill was not there; it was not taken up, and when it was taken up it was in my committee room, the Committee on Public Buildings and Grounds, with Mills and myself. That is all a myth. As to the Post-Dispatch being my organ in Missouri, it never was.

Senator DAVIS. As to any intimation or innuendo in that article respecting your relations to Mr. Rickey, or the sugar trust, what have you to say; are they true or false?

Senator VEST. They are absolutely false, and without any foundation in the world, and I repeat what I have said in the Senate that I never used my position for private purposes. Any statement that I have is absolutely false, or that I ever gave any information or had any connection with the sugar trust is also absolutely false. I have been particular about such matters, especially so. Ever since this bill was taken up by us I have stayed at my house and at the committee room working night and day. I never went about the hotels, or to Chamberlin's, and never had the time nor inclination to do so. I never permitted anybody to come to me and get information about the work of the committee.

I do not know that there is anything else that I care to say. If anybody can make the denial broader, I wish they would.

SWORN STATEMENT OF HON. JAMES K. JONES.

Senator LODGE. You are a member of the Finance Committee?

Senator JONES. I am.

Senator LODGE. And have served as such during this session?

Senator JONES. Yes.

Senator LODGE. You are a Democratic member of that committee?

Senator JONES. I am.

Senator LODGE. In the Philadelphia Press of May 14, 1894, there is a letter, signed "Holland," in which occurs the following statement:

[Having read the statement heretofore read to Senators Voorhees and Vest.]

The committee would like to hear any statement you have to make in regard to that article.

Senator JONES. It is absolutely without any shadow of truth so far as I know.

Senator LODGE. No such conversation ever took place so far as you know?

Senator JONES. No such conversation ever took place so far as I know, nothing by which any man of common intelligence and ordinary honesty could pervert into anything like that or approaching it.

Senator LODGE. Secretary Carlisle never made any such statement?

Senator JONES. Never, that I know of.

Senator LODGE. He never referred to the contributions of the members of the trust to the campaign committee, did he?

Senator JONES. No, so far as I know.

Senator LODGE. Did he ever give to the committee a memorandum such as is described here.

Senator JONES. He never did.

The CHAIRMAN. Did he ever make a statement of that kind in your presence?

Senator JONES. He never did, and I believe that I was present at every meeting of the Democratic members of the committee. I was sick when the bill came to the Senate. I was sick but a few days, however, not very long, but when I got well Mr. Vest and Mr. Mills were at work on the bill and I went into it with them, and I think I was present at every meeting of the committee from then on.

Senator LODGE. Of the Democratic members of the committee?

Senator JONES. The Democratic members of the committee. I do not believe there ever was a meeting of the Democratic members of the committee at which I was not present.

Senator LODGE. Then there is a further statement in this paper, as follows:

[Having read to the witness statements heretofore read to Senators Voorhees and Vest.]

Was there any such meeting as that described?

Senator JONES. No, sir; none whatever.

Senator LODGE. Was there a meeting of the Democratic members of the Finance Committee the Sunday before the bill was reported?

Senator JONES. I do not remember the exact date. There were two or three occasions when the Democratic members of the Finance Committee met on Sunday, but I do not remember the dates of the meetings. Until recently there were two or three meetings. I do not think there was any meeting of the Democratic members of the Committee on Sunday until after the 400 amendments went in.

Senator LODGE. Were these members of the sugar trust who are mentioned here at any time, to your knowledge, in the Capitol while the Finance Committee was in session?

Senator JONES. Never, that I know. I never heard of it before.

Senator DAVIS. When, if ever, did you first hear that Senator Caffery had drafted that amendment in regard to sugar, and that it had been approved by the sugar trust?

Senator JONES. I never heard it until now.

Senator LODGE. Do you know Mr. Havemeyer?

Senator JONES. I have met one Havemeyer once. When these sugar negotiations were going on there was in the committee a number of gentlemen who were interested in the sugar business who were present, and in a lot of conflicting calculations that were made in different ways somebody present—someone, I do not know who—asked me if I was sure that the figures that I made about the sugar calculations were correct, and I said I felt sure about it. Some days after that Senator Camden, I believe it was, told me that he felt very anxious that there should be some sort of agreement about the sugar schedule, some adjustment about it, and, while he did not know anything about what the facts were, he supposed the parties in interest, being more familiar with it than anybody else, would make some calculations; that he understood Mr. Havemeyer was at the Arlington Hotel and if I had no objection he would send over and get Mr. Havemeyer to come to his room, and if I would go down there with some other gentleman we would discuss these relative rates of percentages, etc., the value to be gotten from different ones. I went there about 10 o'clock in the morning——

Senator LODGE. To Senator Camden's room?

Senator JONES. Yes, sir; opposite the Arlington; I do not know the number. After I got there a man whom I was introduced to, who was introduced as a Mr. Havemeyer, and two other gentlemen whom I did not know, came. One or two other gentlemen were present. I did not know Mr. Havemeyer. I sat at the table with a pencil and a piece of paper and asked him about the price of refined sugar and raw sugar, and the expense of refining the sugar abroad and here, and the difference in the labor cost of refining here and in Europe, and he made a number of statements of that sort to me at the time. In making the calculations with Mr. Caffery and others I used all the data given me by Havemeyer. That was the only time I saw Havemeyer. We were in the room for possibly forty or forty-five minutes.

The CHAIRMAN. What did you mean by saying awhile ago, "when these sugar negotiations were going on?" What were the negotiations?

Senator JONES. Perhaps that was an unfortunate word; I did not mean negotiation. When we were making up the tariff bill the question as to whether there should be any tax on sugar; and, if so, whether the tax should be specific or ad valorem, of course, was up for consideration. We were informed that Messrs. Caffery and White would not vote for a bill that had some tax on sugar, and that there were other gentlemen who felt the same way about that and other things. These gentlemen were invited into the committee room on one occasion to talk over their different views. I remember Senator Brice was there, I think Mr. Smith and Senator Gorman. I do not know whether Senator Hill was or not. Senator Caffery and Senator White were there, and Senator Caffery was making up an argument as to these people, the lowest possible rate they could leave the incidental protection to go to them on sugar.

The CHAIRMAN. They were the producers of Louisiana?

Senator JONES. Yes; I said to him that I could not understand why he wanted ad valorem tax on sugar; that, it seemed to me, would operate more beneficially to the sugar refiners than to the planters. That brought him and me to figuring on the question of what it would be. Some gentleman said we could not refute the figures I made on it, that

the planters would not have as fair a show under the proposed schedule, I do not remember what it is—yes, I do, 40 and 50; 40 on the raw, and 50 per cent on the refined, and I said it would be giving a wider margin to the refiners of sugar, and at the same time I was asked by Senator Camden, I am not sure whether it was he, but afterwards Senator Camden asked me when we were talking in the Senate as to what was the fair rate to be put on sugar; if I would make these calculations with men who were on the other side with the refiners, and I said certainly; and it was the result of that that we would get somebody representing the sugar refiners to come to his room, and we would discuss this question in order to get the light and the facts.

Senator LODGE. Do I understand you, at the time Senator Caffery was talking with you, that he was advocating the ad valorem rate?

Senator JONES. I could not say that he advocated the ad valorem rate. I think he advocated the specific rate, but we were discussing the ad valorem rate. I said that the ad valorem rate that had been suggested by somebody would operate unfairly against the producers and in favor of the refiners, and would set them against each other. That is what I meant when I used the word negotiations.

The CHAIRMAN. At this meeting did Mr. Havemeyer say anything about an ad valorem duty?

Senator JONES. I do not recollect that he did. I do not remember whether he said anything about ad valorem duty or not. The thing that made an impression on me was when he came into the room first I asked him what would be the difference in labor cost between the refining of sugar in Germany and the United States, and he made some statement about that, I do not now recall what, though I made a memorandum at the time of what he said to me about the rates. My recollection is that at that time we adopted the sugar schedule, the first schedule, that was put into the bill.

Senator LODGE. Specific duty?

Senator JONES. Yes; 1 cent per pound; and he said that no refiner in the United States could exist under that schedule.

Senator LODGE. Did you ever meet Mr. Terrill, Mr. Ben LeFevre, Mr. Meyer, and others on the street?

Senator JONES. I met Ben Le Fevre on the street about six months ago, but I do not know the other men you mention.

Senator LODGE. And no such meeting as is described here ever occurred?

Senator JONES. No.

Senator LINDSAY. Did you ever see any paper prepared by Mr. Caffery, and indorsed by the sugar trust, sent into the Finance Committee room?

Senator JONES. No; I never did, and I wrote that first sugar schedule that was in the first report of the tariff bill. That is my recollection. There was no suggestion on the part of anybody else; but talking to these men and being satisfied that there was no such thing as getting a schedule that would be satisfactory to the different Senators who were there present, I made up my mind about what I thought would be a fair one and wrote it out in that way.

The committee adjourned until Thursday, May 31, 1894, at 10 o'clock a. m.

WASHINGTON, D. C., *May 31, 1894.*

The committee met at 12 o'clock m.

Present: The chairman (Senator Gray) and Senators Lindsay, Davis, Lodge, and Allen.

SWORN STATEMENT OF SENATOR JOHN R. McPHERSON.

The CHAIRMAN. You are a Senator of the United States and a citizen of the State of New Jersey?

Senator McPHERSON. I am.

The CHAIRMAN. How long have you been such?

Senator McPHERSON. Since 1877.

The CHAIRMAN. And you are now?

Senator McPHERSON. And I am now.

The CHAIRMAN. Are you a member of the Finance Committee of the Senate?

Senator McPHERSON. I am.

The CHAIRMAN. Are you a Democratic member of the Finance Committee?

Senator McPHERSON. I am.

The CHAIRMAN. In a letter purporting to be written from New York, in the Philadelphia Press of May 14, 1894, signed "Holland," there is, among other things, this statement:

Upon one occasion, some time in February, when the Finance Committee, or the Democratic members of it, were in, perhaps, informal session, there came into the room, unexpectedly to all those present excepting two members, none other than the Secretary of the Treasury, Mr. Carlisle. His going there at that time has never been reported until this writing of it. He went secretly and came away secretly. His visit was supposed to be a confidential one. It was a confidence not imposed upon one member of that committee, and, therefore, it is possible now to make report of what Mr. Carlisle said. They looked upon him as speaking, not so much for Mr. Carlisle as for the administration. He did not say that he came from the President, but when he had finished making his astonishing statement not one of those who heard him doubted that he had come from the President and was echoing the President's wishes and giving emphasis to them by an earnest and, for him, excited manner. What he said is quoted from remembrance, but it is substantially accurate, as it was reported by one who heard it. He said:

"Gentlemen, there is one thing that I am bound to say to you as earnestly and impressively as I can do it, and I speak to you as a Democrat to Democrats. No party, or the representatives of no party, can afford to ignore honorable obligations. I want to say to you that there seems to be danger that this is going to be done. Gentlemen associated with the sugar-refining interests (I may tell you what perhaps you do not know) subscribed to the campaign fund of the Democratic party in 1892 a very large sum of money. They contributed several hundred thousand dollars, and at a time when money was urgently needed. I tell you that it would be wrong, it would be infamous, after having accepted that important contribution, given at a time when it was imperatively needed, for the Democratic party now to turn around and strike down the men who gave it. It must not be done. I trust that you will prepare an amendment to the bill which will be reasonable and in some measure satisfactory to these interests."

That, in substance, was the plea of Secretary Carlisle to the members of the Finance committee, that they respect the obligations entered into by the national campaign Committee and the personal representatives of Mr. Cleveland in 1892. It was a plea powerfully put. Mr. Carlisle said but little more; he had said enough. He turned and left the committee, going away with that secrecy with which he came, but before he did so he signified his willingness himself to prepare an amendment which he thought would be fair to the Government and yet be just to the sugar interests.

What have you to say as to your knowledge of any incident like that having occurred?

Senator McPHERSON. I will state, Mr. Chairman, that I was very seldom in the Finance Committee until after the 1st of March, but nobody ever made any such statement as that in my presence.

The CHAIRMAN. Did Secretary Carlisle ever come, as stated in this article, and make a plea such as that, or anything of that kind?

Senator McPHERSON. Never, in my hearing.

The CHAIRMAN. Did you ever hear from any other member or members of the committee that he had done so?

Senator MCPHERSON. I never did.

The CHAIRMAN. Do you know anything of his coming secretly to the committee room to interview anyone?

Senator MCPHERSON. I do not.

Senator DAVIS. Secretly, or in any other manner?

Senator MCPHERSON. I do not. I was not a member of the subcommittee, and therefore had very little to do with the bill, and was very seldom in the committee room. I have seen Mr. Carlisle in the Finance Committee room, however, on one or two occasions, but I can not give the dates.

The CHAIRMAN. Nothing of the kind ever occurred in your presence or to your knowledge?

Senator MCPHERSON. Nothing of that kind ever occurred in my presence or to my knowledge.

Senator DAVIS. When did you first hear that any such thing was charged?

Senator MCPHERSON. I never heard of it until I read it, I think, in this paper.

The CHAIRMAN. It goes on to state in the latter part of it:

That very thing he did not long after.

That is, to draw up a provision for the sugar schedule:

The chairman of the Finance Commitee received and showed to certain favored friends the draft of an amendment in Secretary Carlisle's own handwriting to the sugar schedule, and that draft is in Mr. Voorhees's possession to this day, unless he has destroyed it. Secretary Carlisle had scratched out from the printed schedule the provisions as originally made and by interlineation had inserted the following words: "On all sugars not above No. 16 Dutch standard and on all," after the word "all" the printed form remained, in which mention was made of other sugars, and then this interlineatioh "instead of one-eight of 1 per cent, 45 per cent ad valorem"

Did you see such a draft in his handwriting?

Senator MCPHERSON. No, sir; and I have no knowledge of it.

Senator DAVIS. Did you ever hear that any such paper in Secretary Carlisle's handwriting was in existence?

Senator MCPHERSON. No, sir; I never heard of it until within the past two or three days, and then only from rumor.

Senator ALLEN. This rumor growing out of this investigation?

Senator MCPHERSON. I think rumor in the newspapers.

Senator LODGE. It is also stated in this article as follows:

Mr. Cleveland took, in that interview, nothing but the political and partisan view. He did not particularize, of course, the sugar trust, but he expressed annoyance over the tendency in the Senate, dissatisfaction with the Wilson bill, admitted that mistakes were being made and pledges violated, and spoke of the loss of support to the Democratic party which would be occasioned by the passage of such a bill as the subcommittee of the Senate were reported to be considering. There were other evidences that this purely political and partisan pressure was being brought to bear. Senator McPherson revealed it. It has not been told hitherto how he, upon one occasion, in the presence of the Democratic members of the Finance Committee, stormed and raved, going almost into a frenzy of passion, intimating that the party was prepared to stab the men who saved it, and at last, in the fury of his indignation, turned and left the room.

Senator MCPHERSON. There is no truth in that statement whatever. I will state, however, that the committee and myself disagreed as to the sugar schedule. I did not favor the sugar schedule presented, and I did rave some over that.

Senator LODGE. Did you ever state to them that they ought to put

duties on sugar of certain character, and that they were under obligations to members of the trust?

Senator McPHERSON. No, sir; I knew nothing of any obligations to members of the trust, and I never stated to them anything more than, on one occasion, I stated the contention of a sugar-refiner in my State. There was a personal friend who asked me to present it. I simply stated it to the committee, and I, myself, voted against it.

Senator LODGE. What was that contention?

Senator McPHERSON. I was told he wanted a duty of one-quarter of a cent on refined sugars.

Senator LODGE. A differential duty?

Senator McPHERSON. A differential duty. This was Mr. Matthieson, of Jersey City.

Senator LODGE. Is that refinery a part of the trust?

Senator McPHERSON. That refinery is a part of the trust. I did not see Mr. Matthieson himself, but a friend of his.

Senator LODGE. You did not urge the committee to give duties on sugar upon any ground of obligations to any member or members of the sugar trust?

Senator McPHERSON. I did not. On the other hand I did this: I prepared a sugar schedule which provided that there should be a duty levied on sugar at 80° of 1 cent per pound. Above that up to——

Senator ALLEN. Polariscope test?

Senator McPHERSON. Polariscope test, up to 90. This was one-hundredth of a cent additional up to 90; two-hundredths of a cent additional up to 96, which was a dividing line between raw and refined sugars; three-hundredths of a cent above 96—all by polariscope test, which, as I understood, would give the sugar people less than 1 mill per pound for refining.

Senator DAVIS. Was that specific or ad valorem?

Senator McPHERSON. The duty was a specific duty. It is by polariscope test. That was the amendment that I offered in committee, and it was not agreed to by the committee. You will remember, further, that when the bill was reported I gave notice of my intention to move an amendment upon the floor to the sugar schedule, and also to the income-tax features of the bill.

Senator ALLEN. Your amendment was printed at one time?

Senator McPHERSON. The amendment was printed, not exactly as I offered it, but with a little addition, which I accepted, which would give them, at the very outside, sixteen one-hundredths of a cent, and nothing to the bounty countries, nothing whatever that might compensate for the bounties that might be paid. That was a bill printed, I think, that contained this schedule, but it was not reported in that form to the Senate.

That is the only proposition I ever offered, and that was the one I should have offered in the Senate.

Senator LODGE. Did the refiners advocate ad valorem duties?

Senator McPHERSON. I think the refiners were desirous of having ad valorem duties, although I never came in contact with any of the refiners whatever, save one, and he asked me for the privilege—or a friend did—of calling upon me to show the unfairness of my proposed sugar schedule.

Senator DAVIS. That is the gentleman before referred to?

Senator McPHERSON. No, sir. The gentleman who called upon me simply communicated to me, as a friend, what Mr. Matthieson desired. I told him I could not agree to Mr. Matthiesen's wishes. Afterward a

friend came and said he wanted to know if I would see Mr. Searles. I told him yes. Mr. Searles came to my house one evening and he undertook to show by figures that the proposition that I made would give the trust nothing—at least would give the sugar-refiners nothing—and they could not live under it. That was all. He is the only man I ever saw on the subject who was in any way identified——

Senator ALLEN. Is this John E. Searles, who is said to be the agent of the trust?

Senator MCPHERSON. I do not know what he is. He is Mr. Searles who, I think, is the secretary of the American Sugar Refining Company.

Senator LODGE. Did you hold that interview with him at your house?

Senator MCPHERSON. I held that interview with him at my house.

Senator LODGE. Did you see him at any other time?

Senator MCPHERSON. No, sir. I saw him at no other time and nowhere else.

Senator LODGE. That is the only interview you ever had with him?

Senator MCPHERSON. I am not certain about that—whether he came back the second time. I can not speak from positive knowledge, but I saw him nowhere else, and I never saw anybody except in my house. This winter I have gone nowhere.

Senator LODGE. Did you see Mr. Havemeyer?

Senator MCPHERSON. I never saw him in my life; I do not know him.

Senator LODGE. Mr. Searles was the only person you saw?

Senator MCPHERSON. Yes, sir; Mr. Searles was the only person I saw. He asked the privilege of coming to see me, and when making legislation I never refuse to see anybody who desires to instruct me in those matters; especially is this true in tariff legislation.

Senator LODGE. This statement in the press which I have read to you relates apparently to when the Wilson bill came over to the Senate, putting all sugars on the free list, and represents that you remonstrated against that.

Senator MCPHERSON. Well, I never remonstrated. If my counsel had been taken the Wilson bill would have been presented to the Senate without amendment. I would be in favor of putting sugar on the free list, provided it could be done and secure the needed amount of revenue. I was not certain that the income tax would yield the needed amount of revenue. In short, I was quite certain it would not, because from the best figuring I could make about it—and I studied the subject a great deal, and had other gentlemen more competent than myself to assist me—I determined that the income tax as it came from the House would not yield more than $15,000,000 per annum. Therefore, it was entirely insufficient for the purposes of revenue, and there were other difficulties in the way here, and I never committed myself to free sugar, although I was in favor of the lowest possible duty, and not to give the sugar refiner anything more than his labor cost (as we were giving to other manufacturers, as I supposed, in the bill) on the process of refining.

Senator LODGE. Then, I understand you to say that this report that you stated that the Democrats were under obligations to the members of the sugar trust, which obligations had to be kept, was entirely unfounded?

Senator MCPHERSON. I never knew of any obligation to the sugar trust.

Senator DAVIS. The question is, whether you ever stated it.

Senator MCPHERSON. No, sir; I could not have made such a statement seriously for any serious purpose, and therefore could not have made it at all.

Senator LODGE. You say you never knew of any?

Senator MCPHERSON. No, sir; I never even knew of any.

Senator ALLEN. Did you ever say anything from which a deduction of that kind may be made?

Senator MCPHERSON. You never know what a man may say in a joking way, but I never had any serious conversation at that time, or any other time, from which anybody could draw such an inference as that. I have heard the statement made, however, that the sugar refiners were in the habit of giving the Democratic side a small contribution and the Republicans a large one.

Senator ALLEN. Nothing of the kind took place?

Senator MCPHERSON. No, sir; not at all.

Senator LODGE. There is this further statement in the newspaper article.

We had up on the Sunday before the bill as first reported was sent to the Senate, a striking illustration of the absolute domination of the sugar trust over the Democratic members of the Finance Committee. That was an all-day and half-the-night session, and upon the Sabbath day. In one room were the Democratic members of the Finance Committee and also, in the wing of the Capitol, were the representatives of the sugar trust. There were Havemeyer and Terrill and Meyer, Ben Le Fevre and others. These men sat as the rulers of a political convention sit in a place apart and yet with instant communication of those who are to act. There were runnings back and forth between the Finance rooms and the quarters occupied by the trust all day. Everything had been arranged up to the point of satisfying Louisiana Senators. Even the trust realized that it was necessary for the Democratic party to placate these Louisiana men, or else there would surely be two votes against the bill. It was a question of compromise, each side giving a little and taking a little.

At one time it seemed as though the whole negotiation must go to pieces. Never was there more desperate battle between conflicting interests in the committee rooms of the Capitol. At last, late that evening, Senator Caffery drafted a schedule, Mr. Havemeyer looking over his shoulder, and the other members of the sugar trust watching the Senator with eyes that fairly glittered, so one Senator who saw that spectacle afterwards reported. It was the crucial moment. When Senator Caffery had finished, the sugar trust read his draft, reluctantly accepted it, it was taken to the room of the Finance Committee and there accepted, the victory was won, and the original draft is still in the possession of the committee in Caffery's handwriting and with the approving marks of the sugar trust upon it.

Do you know anything about any such meeting?

Senator MCPHERSON. Nothing in the world. I really know nothing about it, and had no suspicion of any such convention of big men. I had no reason for suspecting any such thing.

Senator LODGE. You were not present at a Sunday meeting of that kind?

Senator MCPHERSON. I was present at one Sunday meeting. Was this the Sunday before the bill was reported?

Senator LODGE. This was before the bill was reported.

Senator MCPHERSON. I do not remember being present at a Sunday meeting just prior to the day the bill was reported. I know I was present at a Sunday meeting just before our Democratic conference or caucus was held.

Senator LODGE. You never knew of any such meeting as is described there?

Senator MCPHERSON. Oh, no; I never saw anything to indicate or lead me to suspect that there was any such a thing happening around the Capitol.

The CHAIRMAN. On Sunday, or on any other day?

Senator MCPHERSON. On Sunday, or on any other day. I want the committee, however, to understand that my meetings with the committee were very infrequent.

The CHAIRMAN. You were in very bad health then?

Senator MCPHERSON. I was in very bad health, and could not attend the meetings, and I thought it better for me to wait until they had practically agreed themselves upon the bill, and if I had any objections to offer I would offer them.

Senator ALLEN. You were absent a portion of the winter?

Senator MCPHERSON. I had to go South, and I was absent about a month in the South.

Senator ALLEN. And the committee were at work on the bill at this time?

Senator MCPHERSON. The committee were at work on the bill at this time.

The CHAIRMAN. Senator Mills was asked during your absence and disability to take your place on the Finance Committee; is that so?

Senator MCPHERSON. Yes, sir.

The CHAIRMAN. Senator Davis, have you anything to say about that?

I will state that Senator McPherson wrote a letter to the committee, which I think has been read to it some days ago, shortly after we organized, asking to come before it in order that he might testify in regard to one point touching the subject-matter of the resolution which was committed to us for inquiry.

Senator DAVIS. This committee has been instructed to inquire, among other things, whether any Senator has been or is speculating in what are known as sugar stocks during the consideration of the tariff bill now before the Senate. You are asked whether you have been so speculating in sugar stocks during the consideration of this bill.

Senator MCPHERSON. Mr. Chairman, I wish simply to state that I can not answer that question, as I think, any more plainly than I did in a few remarks I made in open Senate on the 8th day of March, last, when somebody, as I took my seat, handed me a copy of the New York World newspaper, charging that myself and other Senators had been speculating in Wall street in stocks. I stated the simple fact there that prior to coming here—prior to the recess—I had bought some sugar stock.

Senator DAVIS. Prior to the first Monday in December?

Senator MCPHERSON. Prior to the week of the holiday recess. I had bought some sugar stock and it was sold after the recess. I further stated that inadvertently there were a thousand shares of stock which had been bought for me or for my account, and that I had ordered it sold immediately.

I simply wanted to make a statement to the committee because I had been charged by the newspapers with speculating in sugar stocks, and I was fearful that I would be obliged to ask the Senate for a leave of absence on account of illness. I was unwilling to go, during the progress of this investigation, until such time as I could put on record a denial of the charge of speculating in sugar stocks.

Now, I will be just as brief as possible about the whole matter. On November 28 I had purchased——

Senator DAVIS. You mean November, 1893?

Senator MCPHERSON. On the 28th of November, 1893, I had purchased 300 shares of sugar stock.

Senator ALLEN. How much per share?

Senator MCPHERSON. I can not tell you what the shares cost at the time. I had purchased more, but there were 300 shares of sugar stock

that were in my name on the books of my broker in New York to my credit, or charged to me, in January, 1894, when I was in the South. I supposed these stocks were sold with others early in December. But in January, when I was at Aiken, S. C., my son was there with me, owing to my ill health, and I got word that they had the 300 shares of stock yet unsold. My son immediately sent word by telegram to sell the stock, which was in January, 1894, and on the 25th of January the stocks were sold. About that time, or rather during the holiday recess, I had made a transfer of certain properties and stocks and bonds to my son, covering all the active business enterprises that I had. He had got to be 25 or 26 years of age and wanted to go into business, and I transferred over to him certain properties. Among them I transferrred over to him a certain amount of railroad stocks and Northwestern Railroad stocks which had been on deposit at my broker's at New York, and which had been used by me as a margin on some stocks prior to that time.

However, on December 31 a statement from the broker's showed that I had on hand 300 shares of Manhattan Railroad stock in New York City, 300 shares of Jersey Central stock, 300 shares of sugar stock, and 500 shares of this Northwestern common, which I transferred to my son. All that went over to him, and on our return here on the 8th day of February, after the House had sent a bill over here without any tax on sugar whatever, and, as we supposed there could be by no possibility any tax upon sugar, my son purchased, as he had a right to do, owning these stocks, although they were still in my name on the books, 500 shares of sugar stock. He purchased it for an investment, intending to sell his railroad stocks and put the proceeds into sugar.

Senator DAVIS. Did your son make this purchase upon consultation with you, or on his own motion?

Senator MCPHERSON. I know I consented to the purchase of this stock, but whether before or after the purchase I can not say, because of the fact that it did not seem to me there could be any such thing as legislation any more with regard to sugar. However, I said to him, "If there shall be any, then I want you to sell your stock at once."

He purchased the stock and got sick of it, and on the 16th day of February he sold that and all the other stocks that he had with the brokers in New York, including the 500 shares of Northwestern stock, which left him without any stock, except, I think, perhaps, the New Jersey Central, which was not sold until the 26th, as there was no market for them.

The CHAIRMAN. The 26th of what?

Senator MCPHERSON. The 26th of February.

Now on the 22d of February, after selling everything, he wanted to buy the sugar stock back again. He had the money then to pay for it. He wanted an investment, and I said to him that I had some doubt about the propriety of his doing it. However, as he promised to get out of the street and have nothing more to do with it, and take his money out entirely, I finally assented to it, and an order was issued to purchase it. However, upon reflection we again took up the matter and discussed it, and while I knew nothing about the purpose of the committee in regard to this matter, as I had no consultation with them upon the question of sugar, I said to my son that there were rumors afloat that the Senate committee would do something with respect to legislation in sugar.

The CHAIRMAN. Were you still in South Carolina?

Senator MCPHERSON. No, sir; it was here in my house.

Senator ALLEN. Here in Washington?

Senator MCPHERSON. Here in Washington—and that I did not think he ought to buy the sugar stock, and he fully concurred with me in that conclusion, and we resolved then and there that there should be no sugar stock purchased in any way, shape, or form thereafter; that it would be quite as improper, as he and I both thought, for him to buy any sugar stock as it would be for me, and inasmuch as I had not transferred the account to him at the broker's in New York, because I I had not been able to go to New York to do it, if any stock was purchased it was simply a purchase for me, because it would be charged to my account. Although he had his own property and was his own master, yet at the same time I persauded him not to do anything in sugar.

Now, as I say, the order had been prepared, and among other orders, he leaving that evening for New York, or among other telegrams that were sent out inadvertently in some way or other, either through my carelessness or the carelessness of a servant, I ascertained after several days that the telegram had gone.

Senator ALLEN. The telegram to purchase sugar?

Senator MCPHERSON. The telegram to purchase sugar. But it was entirely an inadvertence on the part of the servant taking it out, because I am in the habit of writing letters and telegrams and leaving them on the table, and under a general order they go out. Myself and my son both supposed the telegram was destroyed.

My son went to New York on that evening, and if there was any blame to be attached to it the blame was my own or the servant's.

This was on the 22d of February. On the 24th I received a notice that there had been 1,000 shares of sugar stock bought on my account on the 23d. I could not understand how that could be, and immediately, the same moment that I received the notice, I telegraphed to New York to sell the stock at once. Well, the 24th was on Saturday. Of course it is a half holiday and the notice, or rather my order, got there too late to do anything. The next day was Sunday, and early on Monday morning it was sold.

Senator DAVIS. Did that operation result in profit or loss?

Senator MCPHERSON. I have never looked into that. There might have been a little loss or a little gain. The order to sell was imperative, whatever the gain or loss. I did not want the stock—did not intentionally buy it—and wanted it sold.

I have a statement here which you can see for yourselves. That ended all kinds of sugar purchases. It was an inadvertence which ought not to have been made. There was no intention on his part or mine to make any sugar purchases. That ended all sugar purchases. There were simply two purchases, one made by my son at a time when nobody supposed, at least neither he nor I supposed, there could be any possibility of legislation in sugar, and if so he would have sold the stock at once.

The other was inadvertently at the time there was a rumor afloat that there would be legislation affecting the sugar interests.

Senator DAVIS. Had you ever before made purchases and sales of sugar stock?

Senator MCPHERSON. Yes, sir. I made both in October and November. I had owned sugar stock.

Senator DAVIS. At any other times before?

Senator MCPHERSON. Yes. Now, I have not intentionally made a purchase of sugar stock since. I think I made a purchase of sugar

stock on the 4th of December, 1893, and sold it on the 11th of December, 1893. That is the last purchase of sugar stock I made, as appears by the statement, and I am guided entirely by it.

Senator ALLEN. These other instances you have spoken of, the sales were in your name?

Senator MCPHERSON. The sales were in my name prior to January, 1894. They were then transferred to my son. I had nothing to do with them. He was the owner of the whole affair.

The CHAIRMAN. This was in December?

Senator MCPHERSON. This was in January, 1894. Prior to that he was not the owner. I transferred it to him. I could not reach New York. I could not go there on account of illness and take him to the broker's and introduce him and have the thing transferred, and I had no disposition, at any rate, to try to do it, because I thought, perhaps, it would be better for him, a new hand, for me to keep the matter in such shape that I could check his ardor.

The CHAIRMAN. Have you been for some years past, as a part of your regular business, an operator in stocks and securities in Wall street?

Senator MCPHERSON. Not as an operator in the sense that term is used—principally as an investor.

The CHAIRMAN. Have you been constantly, as such, buying and selling securities on the market?

Senator MCPHERSON. I have done this—I have bought securities and sold them. Sometimes they were sold on the market and sometimes they were not.

The CHAIRMAN. And that has been for some years past?

Senator MCPHERSON. Yes, sir; for the past seven or eight years.

The CHAIRMAN. You have an office in New York?

Senator MCPHERSON. I have a business office in New York. I determined not to have anything to do with the purchase of sugar, and did not really want my son to do it, although I did not see on the first purchase of sugar that there was any harm in it, as he wanted to make an investment.

The CHAIRMAN. You mean you did not see any impropriety in it?

Senator MCPHERSON. I did not see any impropriety in it. The statement now made ended all sugar transactions, I think, both on my account and my son's account.

The CHAIRMAN. Have you told us of all the sugar transactions that occurred through yourself or your son since October?

Senator MCPHERSON. Have I all the transactions?

The CHAIRMAN. No. I say, have you told us of all the sugar transactions that occurred through yourself or your son since October?

Senator MCPHERSON. My son had no transactions in sugar prior to January, 1894, and I had none later than that date.

The CHAIRMAN. Have you substantially told us already all that has occurred?

Senator MCPHERSON. Yes; since Congress convened.

I will say that I had purchased sugar and other stocks in October and November, but none except stocks that were sold very early in December following.

Here is a statement I leave with the committee, a statement made by the broker in New York of all transactions since December 31. If the committee wants them I can give transactions dating back further. This statement embraces every transaction since this property was

turned over to my son, and I have made no purchase of anything since that is not included, or he has made none that is not included in this statement.

The CHAIRMAN. Were all your transactions through that broker?

Senator MCPHERSON. Yes, sir. There have been none through any other broker. This statement shows the three transactions; the sale of sugar stock at Aiken, bought in November and sold on the 25th of January; my son's transaction on the 8th of February of the purchase of 500 shares of sugar stock and the sale on the 16th of February. It shows the inadvertent purchase and sale on the 23d. That is all there has been of it since that time.

Now, I do not think that this can be called gambling in sugar stock. I tried to correct the fault or mistake of the purchase of February 23 as quickly as possible, and without regard to loss or gain.

I want to show, as far as I can, to the committee that there has been no intention on my part to be engaged in sugar purchases, and I am very sorry that my son purchased any also.

Senator DAVIS. During the consideration of this tariff bill, have you directly or indirectly given out any statements as to probable action respecting sugar to any person?

Senator MCPHERSON. I do not remember having stated that to any person in the world.

Senator DAVIS. Have you any knowledge of any Senator speculating in sugar stocks during the pendency of this bill?

Senator MCPHERSON. I have no knowledge whatever as to what any Senator has been doing except myself.

Senator DAVIS. I understand that some time in December, 1893, you transferred as between yourself and son all your interest in the stocks named?

Senator MCPHERSON. Yes, sir.

Senator DAVIS. But that it not being convenient or possible on account of your health to go to New York for the purpose of making the transfer on the books of the brokers they so remained in your name?

Senator MCPHERSON. Yes, sir.

Senator DAVIS. At the time you made this transfer to your son, did you deliver to him the stocks, or were they on deposit at your brokers?

Senator MCPHERSON. For instance, the 500 shares?

Senator DAVIS. Were they with your brokers?

Senator MCPHERSON. Yes, sir.

Senator DAVIS. Had you any of them in your possession?

Senator MCPHERSON. No, sir; they were all at the brokers.

Senator DAVIS. Was this transfer in writing or verbal?

Senator MCPHERSON. It was a written transfer.

Senator DAVIS. You made this transfer in writing between you and your son?

Senator MCPHERSON. Yes, sir.

Senator DAVIS. This was in December?

Senator MCPHERSON. Yes, sir.

Senator DAVIS. So that, substantially, your son owned the stock?

Senator MCPHERSON. Yes, sir; substantially, my son owned the stock, and everything that was done afterwards was done for him. There was nothing done afterwards except he purchased 500 shares of sugar stock on the 8th of February, as I said, because I thought it was perfectly safe for him to do it, as I did not anticipate any legislation and did not see how it could happen after the emphatic action of

the House. But he sold it again on the 16th. Then there was this unfortunate occurrence of the 23d.

Senator DAVIS. In regard to the 1,000 shares?

Senator MCPHERSON. It simply amounts to this: It was ordered and annulled, or countermanded right off, and that ended it.

Now, with the exception of some Atchison stock, which I stated also in my remarks on the floor of the Senate, that has been all the stocks he has purchased. Everything was sold out. Some time in April the transfer of all the money in bank was made over by my secretary in New York to my son, and has gone to his account, and since last December I have not owned or purchased, wittingly or knowingly for my own benefit, a share of any stock in the world, sugar or anything else.

Senator DAVIS. You would have known it if you had purchased it?

Senator MCPHERSON. Of course I would have known it if I had purchased it. I will say, however, that I sometimes have ordered my broker to buy a certain bond or stock when it falls to a certain limit, and I may not always know it at the exact time of purchase, but soon afterwards.

Senator DAVIS. Who were your brokers?

Senator MCPHERSON. Messrs. Samuel S. Sands & Co.

Senator DAVIS. What is the present style of the firm?

Senator MCPHERSON. S. S. Sands & Co.

Senator DAVIS. What number?

Senator MCPHERSON. No. 10 Wall street. Mr. Joseph H. Bond, a member of the firm, has always attended personally to my affairs.

Senator ALLEN. You began your career as a speculator in stocks during the time you were a member of the U. S. Senate?

Senator MCPHERSON. During the time I was a Senator?

Senator ALLEN. Yes.

Senator MCPHERSON. I never purchased any stocks that were the subject of legislation by the Senate.

Senator ALLEN. You were a stock speculator before that time?

Senator MCPHERSON. I have never been a stock speculator at all. I have simply purchased investments in stocks.

Senator ALLEN. You have purchased investments in stocks and you sell them?

Senator MCPHERSON. Sometimes, and sometimes I do not sell them for three or four years.

Senator ALLEN. Stocks bought and sold in the open market; that is correct is it not?

Senator MCPHERSON. Yes, sir. If you will permit me I will state how I do it.

Senator ALLEN. Certainly.

Senator MCPHERSON. I never buy any stocks that are not dividend-paying stocks, as I understand. For instance, if I buy certain stocks to-day, such as bonds, I might hold them three or four years, perhaps, but if owing to some rise in the market, or if something preferable might show itself, I might sell them and buy some other stocks. In other words, I have never been a speculator in any sense.

Senator ALLEN. You do buy and sell for profit, of course?

Senator MCPHERSON. I buy and sell for profit.

Senator ALLEN. And you buy in the open stock market?

Senator MCPHERSON. Yes, sir; sometimes, not always.

Senator ALLEN. And sell that way?

Senator MCPHERSON. Yes, sir.

Senator ALLEN. Have you been engaged in that line of business constantly for the last seven years?

Senator MCPHERSON. If you mean by constantly whether——

Senator ALLEN. I do not mean every day.

Senator MCPHERSON. I do not suppose my purchases would average one in six months.

Senator ALLEN. You, however, have an office, you say, in Wall street?

Senator MCPHERSON. No, sir; I have no office, I have a business office in New York.

Senator ALLEN. Where is that office?

Senator MCPHERSON. At the corner of West Broadway and Chambers street.

Senator ALLEN. What is the number?

Senator MCPHERSON. No. 64.

Senator ALLEN. How long have you maintained that office?

Senator MCPHERSON. I have had it there ever since I have been in the Senate; long before that time.

Senator ALLEN. What is the character of the business you conduct there.

Senator MCPHERSON. I have several characters of business. There is no banking business done there; no brokerage business done. It is real estate, coal business, live-stock shipments, manufacturing, and several other kinds of business.

Senator ALLEN. Do I understand you to say that you handle, buy, and sell real estate itself?

Senator MCPHERSON. Yes, sir.

Senator ALLEN. And buy and sell coal itself?

Senator MCPHERSON. Yes, sir; both.

Senator ALLEN. And realizing profits?

Senator MCPHERSON. Yes, sir, and often losses.

Senator ALLEN. Are you a firm?

Senator MCPHERSON. No, sir.

Senator ALLEN. Just "John R. McPherson"?

Senator MCPHERSON. Yes, sir.

Senator ALLEN. Are stocks conducted in your office?

Senator MCPHERSON. No, sir; not at all.

Senator ALLEN. That has been a kind of a side transaction of your own?

Senator MCPHERSON. The only thing I will say to you is I never buy stocks except I have the money to buy them, which I prefer to invest in that way perhaps to an investment in some other way. It might not happen once in six months; but whenever I have money I invest it.

Senator ALLEN. The sugar trust, as I understand it, is known as the American Sugar Refining Company?

Senator MCPHERSON. I do not know. I only know it as the sugar trust.

Senator ALLEN. Do you know what it embraces?

Senator MCPHERSON. I do not.

Senator ALLEN. Does it embrace all the sugar-refining factories of the United States?

Senator MCPHERSON. No; but I think it embraces two-thirds of them.

Senator ALLEN. Do you know that it is incorporated.

Senator MCPHERSON. I think it is incorporated under the laws of New Jersey.

Senator ALLEN. Have you speculated in these stocks right along the same as in other stocks of which you speak?

Senator MCPHERSON. No; I have not. I know I have not owned industrial stocks of any kind, except some of the sugar stocks, and they were purchases made some time——

Senator DAVIS. Before you made those purchases last summer of sugar stocks, had you ever made any purchases before that date?

Senator MCPHERSON. I had purchased sugar stocks.

Senator DAVIS. Before that date?

Senator MCPHERSON. Yes, sir.

Senator ALLEN. I understand this had occurred several times during your career on Wall street?

Senator MCPHERSON. I have bought stocks on Wall street several times in my life.

Senator ALLEN. You have been engaged in purchasing stocks whose value was affected by Congressional legislation?

Senator MCPHERSON. No, sir.

Senator ALLEN. I suppose you know sugar stock is affected by Congressional legislation or other legislation.

Senator MCPHERSON. I did not own any of them when legislation was to be effected.

Senator ALLEN. The telegram that you say was sent inadvertently on the 22d of February—you had consulted with your son about the advisability of sending that telegram?

Senator MCPHERSON. I had consulted with my son. My son proposed to purchase some sugar stock, in which I assented at first, and I think the order was prepared—the telegraphic order. It was laid upon my table, and then we took up the question and discussed it, and decided that the order should not be sent.

Senator ALLEN. Who prepared the telegram?

Senator MCPHERSON. I do not know whether I prepared it or not. It makes no difference which one prepared it, because a telegram in my name would have been considered sufficient for the order. I know I assented to it at first, but afterwards I said to him, "There are rumors that perhaps there may be legislation about this matter, and I do not want to have this stock bought, and while I do not know anything myself—I have had no communication with the committee and do not know what their plan or purpose is about it—still, as long as these rumors are afloat this stock must not be purchased," and to that he assented. He went away, and having a large amount of letters and some telegrams that were going away, in some way or other by my carelessness or otherwise, which I did not know until several days afterwards how it came around, that telegram must have been sent or taken by the servant to the telegraph office.

The administration at my house is a very imperfect one, because I have a butler who sometimes does that work, and on holidays he is generally away. Then I have a colored girl, and finally a cook. Sometimes one takes telegrams to the telegraph office and sometimes another, but they have a general order to take telegrams to the office or letters that are left there and mail them.

Senator ALLEN. You had, however, talked over with your son the advisability of his purchasing sugar stock, and had gone to the extent that one of you should prepare a telegram to purchase?

Senator MCPHERSON. Yes, sir.

Senator ALLEN. And after further conversation you consented not to do it?

Senator McPHERSON. Yes, sir.

Senator ALLEN. You advised with your son, did you not, as to the probable outcome of the investment?

Senator McPHERSON. No; I do not know that we had any. He got his impression from the market reports that it would be a better investment than the rail stocks he had just sold.

Senator DAVIS. Will you allow me right there, Senator Allen?

Senator ALLEN. Yes, sir.

Senator DAVIS. I see from this statement that this stock of 1,000 shares was bought as follows: 100 shares at 79¼, 400 shares at 79⅝, and 500 shares at 80, which were sold at 81½.

Senator McPHERSON. Yes; [examining] on Monday.

Senator DAVIS. It was bought on the 26th?

Senator McPHERSON. No; on the 23d.

Senator DAVIS. The account here states on the 26th.

Senator McPHERSON. That is the date of delivery. Look at the bracket on the other side.

Senator DAVIS. Oh, yes; it was bought on the 23d and sold on the 26th.

Senator McPHERSON. Yes; I got the notice on the 24th. The 24th I ordered it sold. The 25th was Sunday and it was sold on the 26th.

Senator ALLEN. Did you at the time the stocks were purchased and the time you advised with your son on the 22d know that the subject of taxing sugar was under consideration by the Senate Finance Committee?

Senator McPHERSON. Well, I knew the matter had been talked about, but as every member of the committee seemed opposed to it, and I was opposed to it myself, I did not suppose that there would be anything done about it.

Senator ALLEN. Did your son know from you or otherwise of the agitation of the question of taxing sugar by the Finance Committee?

Senator McPHERSON. We talked about that, because I said to him there was a rumor that the Finance Committee——

Senator ALLEN. Did you give him at that time or at any other time the most accurate information you could gain upon the subject?

Senator McPHERSON. I do not know that I gave him any information. I found he had enough information of his own.

Senator ALLEN. You thought it natural to give him the best advice that you could and the best information that you could?

Senator McPHERSON. I tried to restrain him at all times from buying any stock.

Senator ALLEN. These stocks that were bought on the 23d of February, 1894, and were sold on the 26th, which was the result of this inadvertent telegram of which you speak, did that investment result in a profit to you?

Senator McPHERSON. That I do not know, because I have not examined the statement. It appears altogether in bulk.

Senator ALLEN. I wish you would examine it and see.

Senator McPHERSON. I suppose if sold it would result in a little profit.

Senator ALLEN. If it resulted in profit, you may state the amount of profit.

Senator McPHERSON. I could not tell here, except by figuring. I see here it was bought at 79⅝, 79¼, and 80, and it was sold at 81½. Now, there was a commission to come out of that and an interest.

The CHAIRMAN. Is there a commission both ways?

Senator McPHERSON. There is a commission both ways. There is a commission to purchase and a commission to sell.

The CHAIRMAN. What is the commission?

Senator McPHERSON. I do not know what it is. I think it is one-eighth of 1 per cent.

Senator ALLEN. Give, as nearly as you can, the profit that resulted from that transaction?

Senator McPHERSON. I would suppose there would be a profit on the transaction, less the commission, of perhaps $1,000.

Senator ALLEN. Your son had never had any business experience of this kind before?

Senator McPHERSON. My son had no business experience in Wall street, particularly, until the purchase of his first stocks.

Senator ALLEN. He was a mere youth, so to speak, from school, and just entering into business?

Senator McPHERSON. No; he was not that. He had been out of school for several years and was very anxious to enter Wall street, and had several business friends there.

Senator ALLEN. Whatever he was doing he was doing under your advice?

Senator McPHERSON. No, sir; he was not doing it under my advice, because I said to him, as he wanted to enter Wall street and give up all other business, I am perfectly willing, if you want to buy some stocks, and very few, only a few at a time—I am perfectly willing you should exercise your own judgment about it. That was a case of exercising his judgment in the first place.

Senator ALLEN. You could have restrained him, could you not?

Senator McPHERSON. Yes, sir; I could have stopped him.

Senator ALLEN. Because the stock still stood in your name?

Senator McPHERSON. Yes, sir. I was very anxious to have him attend to the business I had turned over to him and leave stock purchases alone, and so advised him. He said, "I am going to do it; I am going to buy some of this sugar stock and then quit purchasing stocks." I presume that might have influenced my action so far as an order was concerned. I tried to correct it and ordered it sold peremptorily without regard to profit or loss.

Senator ALLEN. I am not passing judgment on that, of course. I do not pretend to do that. Now, is your son still on the market?

Senator McPHERSON. No, sir.

Senator ALLEN. When did he retire?

Senator McPHERSON. He drew the money out after the sale of these stocks, the Atchison stock, I think, on the 20th of March, and when I went over to New York I had this money drawn out of the bank and deposited at another place entirely.

Senator ALLEN. In your name or in his name?

Senator McPHERSON. I think the money was deposited in his name.

Senator ALLEN. Is he a married man?

Senator McPHERSON. No, sir; he is not a married man.

Senator ALLEN. He is still a member of your family?

Senator McPHERSON. Yes, sir.

Senator ALLEN. Had you at any time before this had any information that sugar stock was liable to grow in value?

Senator McPHERSON. I had no information about it except the course of the market and the general impression people have——

Senator ALLEN. Let me ask you this question for information: It is within the power of what you call the sugar trust to either force up or force down the price of their stock?

Senator McPHERSON. I think so.

Senator ALLEN. And you knew that fact, of course, before this certain investment?

Senator McPHERSON. Yes, sir.

Senator ALLEN. Was it your impression at that time that the sugar trust or some other organization would force up the price of the stock?

Senator McPHERSON. I think the sugar trust, with or without legislation by Congress, can fix the price of their stock on the market, because, having the absolute control of the market for raw sugar and the market for refined sugar, would be able to charge about any price they pleased.

Senator ALLEN. They had a monopoly of the business?

Senator McPHERSON. They had a monopoly of the business, and therefore I did not have any doubt about it. It did not seem to me as it made much difference to their pockets whether sugar was taxed or not.

Senator ALLEN. And you know, of course, any legislation looking to putting a tax on sugar would have the natural tendency to increase the value of sugar stock?

Senator McPHERSON. Yes, sir; it would have made it sell at a higher price to outside parties.

Senator ALLEN. And that you knew, of course, when you talked with your son upon this subject?

Senator McPHERSON. Yes, sir; I knew that.

Senator ALLEN. How frequently had you met with the Finance Committee, or the Subcommittee of Finance, and talked over this proposed legislation on sugar before this investment?

Senator McPHERSON. Really we had no serious talk in the Finance Committee on the sugar question until the day before our caucus, which was on Sunday. I think the caucus met on the 26th. At all events——

Senator ALLEN. It was the 25th, was it not?

Senator McPHERSON. It was on Sunday, which would be the 25th. Until that time we had no serious thought——

Senator ALLEN. You did know, however, that there was a strong disposition developed on the part of the Finance Committee, especially in the Senate, to tax sugar; that before that time the taxation on sugar would become a necessity?

Senator McPHERSON. It looked as if we had to do it to get the votes.

Senator ALLEN. The thing had gone so far as for one or two members to offer suggestions as to the sugar schedule.

Senator McPHERSON. I remember no talk that I had with the committee except on Sunday before——

Senator ALLEN. You had already prepared a partial schedule yourself.

Senator McPHERSON. No, sir; my schedule was offered on Sunday.

Senator ALLEN. And that was the day probably after this inadvertent telegram had gone to New York?

Senator McPHERSON. Yes, sir; it was offered on that Sunday.

Senator ALLEN. And that would be a day or two, at the outside, after the telegram went to New York for the purchase of these stocks?

Senator McPHERSON. Yes, sir; and I suppose, although it did not influence me at that time, because the thing had already taken place, yet it would have influenced me, absolutely so, to sell at once any sugar stock I might have held (if any) at that time.

Senator ALLEN. Let me ask you if you think it is advisable for a United States Senator to speculate, either directly or indirectly, in

stocks whose values may be affected by legislation or proposed legislation?

Senator McPHERSON. No, sir; I do not think it is right to speculate in those stocks, and hence have never done so.

Senator ALLEN. Or invest in them?

Senator McPHERSON. As to that I would say to the Senator that I do not see how investments can be made in our days, as there are no securities in the world in which investments can be made except where they are bought and sold on the market. I do not know how a man, either temporarily or permanently, can find investments, except he gets them through the market where the stocks and bonds are sold.

Senator ALLEN. You believe a man who speculates in stocks whose value would be affected by proposed legislation, would be influenced in his conduct as Senator by that fact, either consciously or unconsciously?

Senator McPHERSON. I do not think ownership in any kind of property would influence my vote in the least.

Senator ALLEN. You would not think it proper for the judge of a court to be pecuniarily interested in a case that was on trial before him?

Senator McPHERSON. No, sir; I do not think that would be a proper thing.

Senator ALLEN. It would be considered highly improper, would it not?

Senator McPHERSON. Yes, sir.

Senator ALLEN. Do you think it would be any more improper for a Senator, who is legislating for the welfare of the entire country, and whose mind should be entirely uninfluenced or unbiased by any private interest, to have, at that precise time, his money invested in stocks whose value may be affected by the vote he may cast?

Senator McPHERSON. I think a man whose mind would be influenced if he had bank stocks or any other kind of stocks—a man who would be influenced as a legislator by such consideration has no business at all here.

Senator ALLEN. What I am asking you is this: Not whether it is possible for a man to own stocks, and at the same time to vote against his own interests, which I think in rare cases might be true, but do you regard it at all proper for a Senator whose official duties require him to look at the general welfare of the country, entirely impartially, to be at that precise time the owner of stocks and bonds whose pecuniary value may be affected by his vote?

Senator McPHERSON. I will answer your question by asking you this: A man who is perhaps the owner of a factory is a member of Congress. He can not sell his stock; he can not dispose of his factory, and it makes no difference what his views may be upon the tariff, one way or the other. I want to know if there is any impropriety in a manufacturer or a farmer, who is also seeking legislation upon the tariff, being a member of Congress or a member of the Senate? If so, the rule holds good as to all other things.

Senator ALLEN. You can reduce that to an absurdity by deductions, of course. But I prefer that you would answer me.

Senator McPHERSON. I will say this broadly: I do not think it is a good thing to do, and while I do not see there has been any great wrong or harm done in this special transaction I would not allow it to be done over again, and I would not encourage anybody in doing it, because I do not think it is strictly within the bounds of propriety.

Senator ALLEN. I understand you to say that you have no personal

knowledge of any other Senator investing in stocks during this pending tariff bill, the Wilson bill, before the Senate. Have you any information derived from any Senator himself or by hearsay as to any Senator speculating in stocks?

Senator McPHERSON. I have never questioned a Senator, and I have never been the custodian of any information from anybody about any Senator.

Senator ALLEN. Have you heard any of the Senators talk in your presence or hearing about any transactions?

Senator McPHERSON. I have never heard any Senator talk in my presence or hearing of any transaction of the kind—never.

Senator ALLEN. Do you know any Senator or Senators of whom it is currently believed that they do speculate in stocks?

Senator McPHERSON. No, sir; I have no personal knowledge.

Senator ALLEN. I do not ask you for personal knowledge.

Senator McPHERSON. And I have no hearsay evidence of greater force than idle rumor.

Senator ALLEN. Have you at any time in your stock speculations met any U. S. Senator in the stock market, or the broker of any?

Senator McPHERSON. I never have.

Senator ALLEN. Do you know of certain Senators who have brokers in Wall street?

Senator McPHERSON. I do not.

Senator ALLEN. Either by hearsay or otherwise?

Senator McPHERSON. Either by hearsay or otherwise, except as the newspapers have stated in connection with the same article, the only one which I have referred to.

Senator ALLEN. Have members of the sugar trust corresponded with you in writing as to——

Senator McPHERSON. I have never received a word in writing from any of them. I have never met any of them, with the exception of Mr. Searles coming to my house one evening and talking with me, against the proposition I was making in the Senate committee.

Senator ALLEN. Mr. Searles lives in Brooklyn, does he not?

Senator McPHERSON. I do not know. He was in Washington and came to my house to see me.

Senator ALLEN. Mr. Searles, as I understand, is the secretary of the sugar trust, or the sugar refinery?

Senator McPHERSON. I think he holds some office, but a personal friend of mind in New Jersey came to me first and asked me if I would permit Mr. Searles to come and see me.

Senator ALLEN. Had you known Mr. Searles before that?

Senator McPHERSON. I had seen him once or twice before that, perhaps, and I think in 1890 Mr. Searles was here. I met him once or twice during that period, but never that I remember since.

Senator ALLEN. You knew at that time, as a matter of fact, that Mr. Searles's chief object was to be in attendance on Congressmen when the question of sugar legislation was in progress?

Senator McPHERSON. I only know he was here.

Senator ALLEN. That was his chief office?

Senator McPHERSON. His business with me was to protest against what he called the injustice of my sugar schedule.

Senator ALLEN. And his business was to see Senators and Representatives and procure the most favorable legislation from them possible upon the sugar question?

Senator McPHERSON. I don't know that, but that is no reason why anybody should grant it, because he wanted it.

Senator ALLEN. You knew when he came to see you, or believed, at least, that that was his mission?

Senator McPHERSON. He came to see me when he knew what was the nature of the amendment I had offered in the committee.

Senator ALLEN. What date was that when he came to see you?

Senator McPHERSON. I can not recollect the date, but it was after he knew of the proposition I had made, and which I afterwards stated in the caucus—perhaps you do not know it, but others do—when I openly condemned the sugar schedule of the bill in caucus or conference

Senator ALLEN. Is that the Senate caucus you speak of?

Senator McPHERSON. Yes, sir; I speak of the general conference of the Democratic Senators.

Senator ALLEN. You condemned the sugar schedule in caucus. What time before the Senate caucus of the 24th or the 25th?

Senator McPHERSON. It was afterwards. On the 28th I think as we were several days in conference.

Senator ALLEN. And you had this talk with Mr. Searles in the month of February?

Senator McPHERSON. I can not remember when he came to my house.

Senator ALLEN. Was it before or after that?

Senator McPHERSON. I can not recollect when it was, but I know he came to see me about the proposition I had made, and he said it was entirely unjust to the sugar people.

Senator ALLEN. What is your best impression as to the date, or near the date?

Senator McPHERSON. I can not remember that any more than I can remember what time, perhaps, the 500 or 1,000 other people came to my house.

Senator ALLEN. Can you not recall it by some other transaction?

Senator McPHERSON. No, sir. I know after I returned from the South I laid in my bed in my house and saw from 100 to 200 people a day who forced themselves into my bedrooms.

Senator ALLEN. Was this shortly after your return from the South?

Senator McPHERSON. No, sir; I think it was some time later. It must have been some time afterwards, because it was sometime afterward before I made my sugar proposition.

Senator ALLEN. What is your best recollection as to it being in the month of February or March?

Senator McPHERSON. I think it was shortly before the bill was reported to the Senate.

Senator ALLEN. The bill was reported to the Senate about the 14th of March, was it not?

Senator McPHERSON. The 20th of March.

Senator ALLEN. Was it the 20th of March?

Senator McPHERSON. Yes, sir.

Whereupon, at 1:15 p. m., the committee took a recess until 2:30 o'clock p. m.

AFTER RECESS.—2:30 O'CLOCK P. M.

SWORN STATEMENT OF SENATOR R. Q. MILLS.

Senator LODGE. You are a Senator of the United States from the State of Texas?

Senator MILLS. I am.

Senator LODGE. And have been serving as such during this session?

Senator MILLS. I have.

Senator LODGE. And during a portion of that time you have served as a member of the Finance Committee?

Senator MILLS. Yes, sir. I represented Senator McPherson while he was sick and absent. I was never myself a member of the Committee, but merely a supernumerary for some months, perhaps.

Senator LODGE. You took part with them for a time in making the tariff bill?

Senator MILLS. I took part with Mr. Vest and Mr. Jones, of Arkansas. A few days before the Wilson bill came from the House to the Senate, Senator Vest came to me and said: "Senator Vance, who is a member of the Finance Committee, is off sick, Senator Jones is in bed sick, Senator Voorhees is in bad health, that bill has come here, and I want you to come and help us to work on it." I told him I would go as a mere voluntary aid, but I would not accept a position on the Finance Committee. Then he and I went to work on the bill, and worked alone on it, I suppose ten days or two weeks, until Senator Jones got well, and he came and joined us. Then Senator Vest and Senator Jones and myself continued to work on the bill until we finished our revision of the Wilson bill and reported it to the Democratic members of the Finance Committee, when Senator McPherson came and relieved me, I having acted as his representative during his sickness, and I know nothing more about the bill since then.

Senator LODGE. In the Philadelphia Press of Monday, May 14, appeared a letter in which the following statement occurs:

Upon one occasion, some time in February, when the Finance Committee, or the Democratic members of it, were in, perhaps, informal session, there came into the room, unexpectedly to all those present excepting two members, none other than the Secretary of the Treasury, Mr. Carlisle. His going there at that time has never been reported until this writing of it. He went secretly and came away secretly. His visit was supposed to be a confidential one. It was a confidence not imposed upon one member of that committee, and, therefore, it is possible now to make report of what Mr. Carlisle said. They looked upon him as speaking, not so much for Mr. Carlisle, as for the administration. He did not say that he came from the President, but when he finished making his astonishing statement not one of those who heard him doubted that he had come from the President and was echoing the President's wishes and giving emphasis to them by an earnest, and for him, excited manner. What he said is quoted from remembrance, but it is substantially accurate, as it was reported by one who heard it. He said:

"Gentlemen, there is one thing that I am bound to say to you as earnestly and impressively as I can do it, and I speak to you as a Democrat to Democrats. No party or the representatives of no party can afford to ignore honorable obligations. I want to say to you that there seems to be danger that this is going to be done. Gentlemen associated with the sugar-refining interests (I may tell you what, perhaps, you do not know) subscribed to the campaign fund of the Democratic party in 1892 a very large sum of money. They contributed several hundred thousand dollars, and at a time when money was urgently needed. I tell you that it would be wrong, it would be infamous, after having accepted that important contribution, given at a time when it was imperatively needed, for the Democratic party now to turn around and strike down the men who gave it. It must not be done. I trust that you will prepare an amendment to the bill which will be reasonable and in some measure satisfactory to these interests.

That in substance was the plea of Secretary Carlisle to the members of the Finance Committee that they respect the obligations entered into by the national campaign committee and the personal representatives of Mr. Cleveland in 1892. It was a plea powerfully put. Mr. Carlisle said but little more; he had said enough. He turned and left the committee, going away with that secrecy with which he came, but before he did so he signified his willingness himself to prepare an amendment which he thought would be fair to the Government, and yet be just to the sugar interests.

That very thing he did not long after. The chairman of the Finance Committee received and showed to certain favored friends the draft of an amendment in Secretary Carlisle's own handwriting to the sugar schedule, and that draft is in Mr. Voorhees's possession to this day, unless he has destroyed it. Secretary Carlisle had scratched out from the printed schedule the provisions as originally made, and by interlineations had inserted the following words: "On all sugars not above No. 16, Dutch standard, and on all." After the word "all" the printed form remained in which mention was made of other sugars, and then this interlineation, "instead of one-eighth of 1 per cent, 45 per cent ad valorem."

What statement have you to make on that point?

Senator MILLS. I know nothing on earth about it. Secretary Carlisle was never before the committee while I was working with it.

Senator LODGE. He never, to your knowledge, made any such statement?

Senator MILLS. No, sir.

Senator LODGE. Did you ever see such a memorandum as is there described?

Senator MILLS. No, sir; never.

Senator LODGE. Or did you ever hear of it?

Senator MILLS. No, sir; never.

Senator LODGE. There was no such memorandum to your knowledge?

Senator MILLS. No, sir.

Senator DAVIS. Who did prepare the sugar schedule as reported?

Senator MILLS. Senator Vest, Senator Jones, and myself.

Senator LODGE. That is, as it was first reported?

Senator MILLS. As it was first reported. I know nothing of it any further. Senator Vest wanted me to make some statement. I will wait, however, and let you ask about that.

Senator LODGE. There is this further statement in the article from which I have just quoted a portion:

We had, upon the Sunday before the bill as first reported was sent to the Senate, a striking illustration of the absolute domination of the sugar trust over the Democratic members of the Finance Committee. That was an all day and half the night session and upon the Sabbath day. In one room were the Democratic members of the Finance Committee, and also, in the wing of the Capitol, were the representatives of the sugar trust. There were Havemeyer and Terrill and Meyer, Ben Le Fevre and others. These men sat as the rulers of a political convention sit in a place apart and yet within instant communication of those who are to act. There were runnings back and forth between the finance rooms and the quarters occupied by the trust all day. Everything had been arranged up to the point of satisfying Louisiana Senators. Even the trust realized that it was necessary for the Democratic party to placate these Louisiana men, or else there would surely be two votes against the bill. It was a question of compromise, each side giving a little and taking a little. At one time it seemed as though the whole negotiations must go to pieces. Never was there more desperate battle between conflicting interests in the committee rooms of the Capitol. At last, late that evening, Senator Caffery drafted a schedule, Mr. Havemeyer looking over his shoulder and the other members of the sugar trust watching the Senator with eyes that fairly glittered, so one Senator who saw that spectacle afterwards reported. It was the crucial moment. When Senator Caffery had finished the sugar trust read his draft, reluctantly accepted it, it was taken to the room of the Finance Committee and there accepted, the victory won and the original draft is still in the possession of the committee in Caffery's handwriting, and with the approving marks of the sugar trust upon it.

Do you know of any such meeting?

Senator MILLS. Nothing at all.

Senator LODGE. On Sunday, or any other day?

Senator MILLS. No, sir; nothing about it.

Senator LODGE. And there was no such meeting of that character?

Senator MILLS. No, sir.

Senator LODGE. Did you ever hear of these members of the sugar trust being at the Capitol?

Senator MILLS. Not while I was a member of the committee. I know nothing about it.

Senator LODGE. Did you ever meet any member or members of the sugar trust there?

Senator MILLS. No, sir.

Senator LODGE. Did Mr. Havemeyer happen to be there?

Senator MILLS. No. Mr. Havemeyer came to my house one night and I refused to see him; I have never met him.

Senator LODGE. Was he introduced to you by anybody?

Senator MILLS. He had a letter from Mr. Carlisle to me, and I think, if my recollection serves me, he sent the letter in advance. I do not know but he might have brought it with him, but he had a letter from Mr. Carlisle, simply a letter of introduction, and he called on me at my house, and I refused to see him.

Senator LODGE. You did not see him, then?

Senator MILLS. No, sir; I refused to see him.

Senator LODGE. Or at any subsequent time?

Senator MILLS. No, sir; neither before nor after.

Senator LODGE. Or any of these other persons mentioned here as connected with the sugar trust?

Senator MILLS. No, sir; none of them.

Senator LINDSAY. You say Mr. Carlisle gave him merely a formal letter of introduction?

Senator MILLS. That is all.

Senator ALLEN. You do not remember the wording of the letter, do you?

Senator MILLS. Oh, no; it was simply two or three lines.

Senator ALLEN. One of the matters submitted to this committee to be investigated is an inquiry in relation to money having been contributed to the Democratic campaign fund by the sugar trust. Can you give the names of the Democratic campaign committee?

Senator MILLS. I can not.

Senator ALLEN. Of course you know nothing about that?

Senator MILLS. Nothing about the committee or the funds contributed to it. I never bothered myself about it. I had enough to attend to my own committee.

Senator ALLEN. Do you know whether any Senators have been speculating in stocks or bonds during the pendency of this tariff legislation?

Senator MILLS. I do not.

Senator ALLEN. Do you know by reputation?

Senator MILLS. I know absolutely nothing at all. I do not speculate in stocks myself, and know only what we see in the newspapers.

Senator LODGE. I will call your attention to another part of this newspaper article:

To go back a little. After Mr. Carlisle's address to the Finance Committee, after the meeting between Mr. Havemeyer and Senators Brice and Smith, there occurred an extraordinary thing in the Finance Committee. Senator Vest made a statement which caused Mills to look upon him with amazement, to regard him with suspicion, and some of the other members of the committee to eye one another furtively. The Senator said that he did not see why a duty of one-half of a cent upon raw sugar did not afford sufficient protection to all the sugar interests of this country. If Mr. Vest

were a new Senator, such an astonishing assertion as that might have been ascribed to ignorance, but he has been through tariff bill after tariff bill. He looks upon himself as something of an expert, and he must have known that his statement was ridiculous. In view of his earlier position, it seemed not only ridiculous, but strange. It even caused one Senator to say to another, "Vest has flopped."

Have you any statement to make in regard to that?

Senator MILLS. That is false.

Now I want to state just as to Senator Vest and Senator Jones both.

I was the first one of the three to propose a duty on sugar. It was an unwelcome thing to me to do it, but I regarded the bill as not producing sufficient revenues, and something had to be done. That was one reason.

Another reason was, as you gentlemen know, I have always advocated putting sugar on the dutiable list as a revenue article, and I told them: "We have got to have more money than the Wilson bill makes, and we have to have a duty on sugar. I do not want it. I do not like to go backward. I would not have taken sugar off the dutiable list and put it on the free list. It has been done, and I do not like to put anything back on the dutiable list—I do not care whether it is a revenue article—to take it from the free list and put it back on the dutiable list." I said: "We have got it to do, and you may as well make up your minds about it. We have to have more money."

Senator Vest and Senator Jones held out for several days, and insisted that there should be no duty on sugar, and they tried to figure it out that we could get along without it, and wait until we could get through and look and see what our estimates would be, and so on, and we kept it on a good long while.

Finally they reluctantly agreed for a duty on raw sugar, and it is due to the Democratic members of the committee—a duty not on refined sugar, but on raw sugar. I think they said nothing about Senator Jones at all. It is all stuff. There is no truth in it. I was the man who proposed the duty on it.

Senator LODGE. You did not propose a differential rate on refined sugar?

Senator MILLS. No, sir; I proposed none but the compensatory duty. I think that is all it is necessary for me to say about him.

SENATOR JAMES K. JONES—Recalled.

Senator LODGE. You have heretofore testified in relation to this matter?

Senator JONES. I have.

Senator LODGE. There is one statement with reference to which I would like to ask you. That is, in regard to Mr. Carlisle's memorandum furnished to the Finance Committee. Perhaps I had better reread the statement to you:

He turned and left the committee, going away with that secrecy with which he came; but before he did so he signified his willingness himself to prepare an amendment which he thought would be fair to the Government and yet be just to the sugar interests.

That very thing he did not long after. The chairman of the Finance Committee received and showed to certain favored friends the draft of an amendment in Secretary Carlisle's own handwriting to the sugar schedule, and that draft is in Mr. Voorhees' possession to this day, unless he has destroyed it. Secretary Carlisle had scratched out from the printed schedule the provisions as originally made, and by interlineation has inserted the following words: "On all sugar not above No. 16 Dutch standard and on all." After the word "all" the printed form remained in which mention was *made of other sugars*, and then this interlineation, "Instead of one-*eighth of 1 per cent, 45 per cent ad* valorem."

The CHAIRMAN. Were you asked about that before?

Senator JONES. I think so. I think I answered as to all those things. I said there was no sort of truth in any part of the story. It was absolutely all false.

Senator LODGE. There was never any such memorandum, to your knowledge, furnished by the Secretary of the Treasury, Mr. Carlisle?

Senator JONES. None whatever. The last schedule proposed, the one that I proposed to the bill, the one which is pending now—this thing, I understand, is said to have occurred some time in February, the latter part of February or the early part of March. After we had reported this bill back, and before these amendments were finally reported, before the last amendment to the sugar schedule was reported, not more than two or three weeks ago, there was some proposition by some members of the Senate to make a schedule of 40 and 45 per cent, and it was submitted to Senator Vest and me, and Mr. Carlisle happened to be in the room. I do not think he came there by appointment. I think he happened to be in Gen. Cockrell's committee room.

There was some talk in the presence of Mr. Carlisle, Senator Vest, and me of making a schedule of 40 or 45 per cent, and I asked Mr. Carlisle to prepare a schedule. We had made up our minds that we were going to prepare a 40 per cent schedule, and when this proposition was made I proposed to Mr. Carlisle to draw up the amendment, or have it drawn, proposing I do not remember whether I suggested to him that he should draw it 40 and 45 or 40 and one-eighth; my impression is 40 and one-eighth, and the question was whether we would agree to 45 or whether we would stick to the one-eighth.

I asked Mr. Carlisle if he would have that drawn, giving him the points, and he said he would. I asked him merely to save myself the labor of it, because, the data being in the Treasury Department, I thought he would be sure to have all the points covered.

I think the next day I got in the mail a type-written schedule, which was just such as I asked him to have made, and Senator Vest and I met that morning and talked the matter over, and determined that the 45 per cent would give the refiners a larger margin than the proposed schedule of 40 per cent and one-eighth, as we did not intend to make a larger margin for the refiner than we had already made.

We did not report that schedule. I may have taken the schedule from the Treasury Department and changed that, but that is the only instance in which Mr. Carlisle has been connected with the drawing up of the schedule at all, and he drew that at my request, when we had under consideration the 40 and 45 per cent or the 40 and one-eighth. I do not know which way he drew it.

The CHAIRMAN. This was after the report of the first bill for specific duties?

Senator JONES. Yes, sir; I think it was the very day before this last proposed sugar schedule was put in.

The CHAIRMAN. Is that memorandum in existence?

Senator JONES. I presume Mr. Durfee has it. I sent for Mr. Durfee. He made these amendments and put them in shape for me; in fact, he drew most of these amendments. I told him to do what I wanted done, and I asked Mr. Carlisle to draw the amendment just as I would ask Mr. Durfee.

The CHAIRMAN. Has Mr. Carlisle the draft?

Senator JONES. I think he has it, as it was sent from the Treasury Department. My impression is it was made in typewriting, although

I am not sure of it. I do not know whether Mr. Carlisle drew it or whether it was drawn by some clerk in the Department.

Senator LODGE. This statement is that the draft had interlineations in Mr. Carlisle's handwriting.

Senator JONES. There is no truth in it. There was nothing of that kind done at that time. Mr. Carlisle never made a proposition to us about the sugar schedule. He discussed the sugar schedule by request with us. He was never before the committee when he was not sent for. I telephoned for him many a time, and he came down, and he expressed his opinion only when his opinion was asked. He never suggested to the committee any particular schedule that should be adopted. He never expressed or suggested a line to the committee in connection with the sugar schedule.

Senator LINDSAY. This conversation in regard to this particular schedule came up in a casual meeting of the Committee on Appropriations with Mr. Carlisle?

Senator JONES. That is my impression.

Senator LINDSAY. He did not come to you nor did you go to him?

Senator JONES. No, sir; that is my recollection of it. We simply met in the room while Senator Vest was there, and it was simply a suggestion to put this schedule in, and there were some Senators who insisted that there should be an ad valorem duty on sugar. I heard Mr. Carlisle say a number of times, with reference to collections, that the law could be enforced on ad valorem and a duty collected on sugar without any difficulty. As to his insisting on any particular conduct about the collection of the taxes, there was never any sort of conversation at all. When we were down here, I asked him simply, as I would have asked Mr. Durfee if he had been present, to prepare that schedule in the line as indicated, it being understood then, and the next morning I would make a recommendation. I made up the figures that night, and made up my mind that 40 and 45 per cent would give the refiners more margin than 40⅛ would. When Senator Vest and I came together, we agreed not to recommend 40 and 45 per cent, but we would recommend a 40 and one-eighth additional for refining.

The CHAIRMAN. Were you an active member of the committee in framing the bill presented to the Senate?

Senator JONES. I was; all the time.

The CHAIRMAN. Were you there as often as anybody else?

Senator JONES. I think I was there all the time.

The CHAIRMAN. You mean by that after you got well enough?

Senator JONES. Yes. Of course, when I was sick in bed I was not there; but Senator Vest and Senator Mills were working on the bill when I went up there. After that I do not think there was anything done on the bill when I was not present.

Senator ALLEN. Senator Vance had nothing to do with this bill, had he?

Senator JONES. No, sir.

Senator ALLEN. He was sick during its preparation, and subsequently died?

Senator JONES. Yes, sir.

Senator LODGE. The statement is that it was in typewriting with interlineations of Mr. Carlisle. That is why I asked you if you remembered it.

Senator JONES. In this last paper that came here it may be possible that there may have been interlineations, but if there were—well, yes;

I think there were interlineations, and I think, perhaps, Mr. Carlisle made those interlineations. I did not recollect that at first.

My recollection is, that I first asked Mr. Carlisle to write that schedule one way, either for 40 and 45 or for 40⅛. I afterwards asked him to write it the other way. I do not remember exactly when I asked him, but my recollection is he made that change from one to the other. That is the schedule I talked about here. I think that was done. The change was made at my request, if there was one made. I think there was a change made at my request.

Senator LODGE. So you looked at Mr. Carlisle's agency as simply the manual agency?

Senator JONES. It was simply that, because what Mr. Carlisle did in the matter I was responsible for; and I think, if I remember correctly, that there was a change made at my request, and I think Mr. Carlisle came with a paper in his pocket—a paper in typewriting—as I had requested, and I asked him to make the change as it was made.

Senator LODGE. Did Mr. Carlisle furnish any other statement than the one you speak of?

Senator JONES. No, sir; none whatever.

SWORN TESTIMONY OF JOHN G. CARLISLE.

(May 31, 1894.)

Senator LODGE. You are Secretary of the Treasury of the United States?

Mr. CARLISLE. I am.

Senator LODGE. And have been serving as such during the present session since the 4th of March last?

Mr. CARLISLE. Since the 7th of March, 1893.

Senator LODGE. In the Philadelphia Press of Monday, May 14, 1894, appeared the following statement:

Upon one occasion, some time in February, when the Finance Committee, or the Democratic members of it, were in perhaps informal session, there came into the room unexpectedly to all those present, excepting two members, none other than the Secretary of the Treasury, Mr. Carlisle. His going there at that time has never been reported until this writing of it. He went secretly and came away secretly. His visit was supposed to be a confidential one. It was a confidence not imposed upon one member of that committee, and, therefore, it is possible now to make report of what Mr. Carlisle said. They looked upon him as speaking, not so much for Mr. Carlisle, as for the administration. He did not say that he came from the President, but when he had finished making his astonishing statement not one of those who heard him doubted that he had come from the President and was echoing the President's wishes and giving emphasis to them by an earnest, and for him, excited manner. What he said is quoted from remembrance, but it is substantially accurate as it was reported by one who heard it. He said:

"Gentlemen, there is one thing that I am bound to say to you as earnestly and impressively as I can do it, and I speak to you as a Democrat to Democrats. No party, or the representatives of no party, can afford to ignore honorable obligations. I want to say to you that there seems to be danger that this is going to be done. Gentlemen associated with the sugar refining interests (I may tell you what, perhaps, you do not know) subscribed to the campaign fund of the Democratic party, in 1892, a very large sum of money. They contributed several hundred thousand dollars, and at a time when money was urgently needed. I tell you that it would be wrong, it would be infamous, after having accepted that important contribution, given at a time when it was imperatively needed, for the Democratic party now to turn around and strike down the men who gave it. It must not be done. I trust that you will prepare an amendment to the bill which will be reasonable and in some measure satisfactory to these interests."

That in substance was the plea of Secretary Carlisle to the members of the Finance Committee that they respect the obligations entered into by the national campaign committee and the personal representatives of Mr. Cleveland in 1892. It was a plea powerfully put. Mr. Carlisle said but little more; he had said enough. He turned

and left the committee, going away with that secrecy with which he came, but before he did so he signified his willingness himself to prepare an amendment which he thought would be fair to the Government, and yet be just to the sugar interests.

That very thing he did not long after. The chairman of the Finance Committee received and showed to certain favored friends the draft of an amendment in Secretary Carlisle's own handwriting to the sugar schedule, and that draft is in Mr. Voorhees's possession to this day, unless he has destroyed it. Secretary Carlisle had scratched out from the printed schedule the provisions as originally made and by interlineations had inserted the following words: "On all sugars not above No. 16, Dutch standard and on all." After the word "all" the printed form remained in which mention was made of other sugars, and then this interlineation, "instead of one-eighth of 1 per cent, 45 per cent ad valorem."

What statement have you to make in regard to that?

Mr. CARLISLE. I was absent from the city from the 13th day of May until last Thursday, a week ago to-day, and therefore saw none of the publications, which I understand have been made by the newspapers, and this is the first time I have ever heard any of them read.

I want to say that so far as my having made a secret visit to the Committee on Finance of the Senate, or the Ways and Means Committee of the House, or to any subcommittee of either of them, or any member of either of them, it is absolutely false. I have no recollection of seeing the committee at all in February, as I observe that paper states. But it is possible I did, because I was upon two or three occasions requested by the subcommittee having the tariff bill under consideration, or some member of it, sometimes one and sometimes another, to come over to the Capitol and talk with him upon the subject. But I never upon a single occasion, with one exception which I will mention presently, appeared before the subcommittee or the committee without such a request.

As to the statements attributed to me there not one of them was ever made by me to the subcommittee, to the committee, or to any other human being.

The CHAIRMAN. Or anything like that statement?

Mr. CARLISLE. Nothing from which an inference of that kind could be drawn.

Senator LODGE. Did you ever say anything to them about any contribution having been made by the sugar trust to the campaign fund of the Democratic party?

Mr. CARLISLE. No, sir.

Senator LODGE. And never knew of any such thing?

Mr. CARLISLE. No, sir. If you want me to give my information, derived from a member of the committee, I will say that the sugar trust gave nothing whatever to the Democratic campaign committee. That is merely from hearsay. I know nothing about it personally. As I remember the statement just read by the Senator, it is that this occurred in February.

Senator LODGE. Upon one occasion some time in February.

Mr. CARLISLE. I paid attention to that as you read it. Without going into details about it, I desire to state in the most emphatic way that not a word of it was spoken by me to anybody on any occasion. On the morning of the 5th of May—the present month—Senator Jones, of Arkansas, who appeared to be acting in the matter, and perhaps had charge largely of the preparation of some amendments which it was supposed would be proposed to the pending bill, came to my residence. I found him in my parlor when I came down to my breakfast in the morning, and he told me that the committee or the subcommittee, had agreed upon a certain rate of duties for sugar to be incorporated in the bill, in lieu of the paragraph upon that subject which was already in

the bill as reported to the Senate by Senator Voorhees, and he either gave me on a piece of paper a brief memorandum of the new schedule or paragraph, or he stated it to me, I will not be positive which.

At any rate, he informed me what it was, and he asked me if I would be kind enough to put that in proper form or have it done at the Treasury Department. I said certainly I would. It was a service that we had been doing very frequently during the consideration of this bill, and a service which, according to my own knowledge, the Secretary of the Treasury has always done heretofore when tariff bills were pending.

I went down to the Department and dictated to my stenographer the paragraph containing exactly the provisions which Senator Jones had asked me to put in it, and I will read it to the committee:

On or after January first, eighteen hundred and ninety-five, there shall be levied and collected on all sugars, tank bottoms, sirups of cane juice or of beet juice, melada, concentrated melada, or concrete and concentrated molasses, a duty of forty per centum ad valorem, and upon all sugars above number sixteen Dutch standard in color there shall be levied and collected a duty of one-eighth of one cent per pound in addition to the said duty of forty per centum ad valorem: *Provided*, That all sugars, tank bottoms, sirups of cane juice or of beet juice, melada, concentrated melada, concrete or concentrated molasses which is imported from or is the product of any country which at the time the same is exported therefrom pays, directly or indirectly, a bounty on the export thereof, shall pay a duty of one-tenth of one cent per pound in addition to the foregoing rates.

After I prepared that I looked at the bill as it stood and discovered what perhaps I knew before, but I noticed, at any rate, that the duty on molasses followed immediately afterwards, and as Senator Jones had said nothing to me about changing the rate on molasses, I was at a loss to know what rate to put in on that article; so I sent him this message by telephone:

TREASURY DEPARTMENT,
Washington, May 5, 1894.

Hon. J. K. JONES,
Senate Chamber:

MY DEAR SIR: Do you propose to make any change in molasses? I will be at the Capitol at half past 2 o'clock.

I dictated this note to my stenographer and what I read here is taken from his notes. I had my stenographer copy it to-day. Senator Jones telephoned back that molasses was to remain just as it was in the bill, and therefore nothing was said in the new amendment about molasses, because this would go into the sugar part of the paragraph, and the molasses would stand as it was before.

This statement, "I will be at the Capitol at half past 2 o'clock," was in response to a telephone message which I had received at the Department asking me if I could not come to the committee and bring with me the amendment which he had asked me to prepare in the morning.

At 2 o'clock, or about that time, I came over here. I found the committee, or some members of it, in the small room of the Appropriations Committee, having gone myself first to the Committee on Finance, and not finding anyone there except a messenger.

The CHAIRMAN. That is Senator Cockrell's committee?

Mr. CARLISLE. Yes, sir.

There were in the small room mentioned Senator Vest, Senator Jones, and Senator McPherson, and Hon. C. R. Breckinridge, of Arkansas, a member of the Committee on Ways and Means of the House; Mr. Sharretts, a member of the Board of General Appraisers, was also present, and I think Mr. Talbott, who is clerk of the Com-

mittee on Ways and Means of the House. They seemed to be very much engaged in the little room around a table with a number of papers before them, and after stopping a moment there I stepped into the larger room and sat down.

After a few minutes Senator Vest and Senator Jones came into that room, and I showed Senator Jones what I had written, which was exactly in accordance with my instructions from him in the morning. Then Mr. Gorman came in; he was a member of the Committee on Appropriations.

A conversation was had about the tariff, and as to how we were getting along with it, and what would probably be the result in a general way.

After talking some time it was suggested by some one—and I am not able now to state by whom, but certainly not by me, for I made no original suggestion about it—that instead of having 40 per cent ad valorem upon all sugars, and one-eighth of a cent additional upon sugars testing above 16 Dutch standard in color there should be a duty of 40 per cent upon all sugars below No. 16 Dutch standard in color and 45 per cent on all sugars above 16 Dutch standard in color, the additional 5 per cent being, as you will observe, equal to one-eighth of the 40 per cent on the other grades.

That was talked about, and while it was not agreed to—because, as I say, there were only two members of the Finance Committee present, Senator Jones and Senator Vest—it seemed to be the impression that they would submit that kind of a proposition to the committee. Whereupon some one of them asked me if I would not write it. I said: "I will just take this amendment which I have in my hand and interline it." In addition to that they said they wanted to put into the amendment a clause in relation to the Hawaiian treaty. They wanted to insert a clause that this schedule should not abrogate or in any manner impair the provisions of the Hawaiian treaty, and asked me if I could not write that also.

I said: "I will just take this paper and interline it." I had to get the treaty, and consequently I stepped into the room of the Committee on Finance. I found there Mr. Taylor, one of the messengers, and I asked him if they had in that committee room a book containing the treaties between the United States and foreign governments, and he said he thought not. I asked him to step down to the room of the Committee on Foreign Affairs and procure a copy of it and bring it to me, which he did. He brought it into the room and handed it to me as I sat at the table by myself. There was nobody in there, unless Mr. Taylor was passing in and out, and I made these changes, which I will now give you.

After the words "all sugars" in line 2, I inserted "not above No. 16 Dutch standard in color and on all," so that it would read:

On and after January first, eighteen hundred and ninety-five, there shall be levied and collected on all sugars, not above No. 16 Dutch standard in color and on all, etc.

And then after the word "duty" in line 6, just preceding the words "of one-eighth," I erased down to and including the word "ad valorem," just before the word "provided," and inserted this, "45 per cent ad valorem."

That is to say, I took out the part which provided for one-eighth of a cent per pound additional, and put in the provision for 45 per cent ad valorem. Then I added to it in my own handwriting—these interlineations being also in my own handwriting—all the provisions now contained in it with regard to the Hawaiian treaty, just as it is to-day.

Senator DAVIS. Just exactly as they now stand?

Mr. CARLISLE. Just exactly as they now stand. The amendment as it now stands in the bill is not exactly as I prepared it, for if you had the bill here you would see that it contains in line 4, page 40, of the amendments which were printed on the 7th of May, 1894, these words: "And upon all sugars which have been discolored." It reads:

Upon all sugars above No. 16 Dutch standard in color, and upon all sugars which have been discolored, there shall be levied, collected, and paid a duty of one-eighth.

Those words were not in any bill before the 5th of May, and were not in this amendment which I prepared.

The CHAIRMAN. That is on all sugars that have been discolored?

Mr. CARLISLE. On all sugars which have been discolored. How they got there I do not know.

This was on Saturday evening. The gentlemen of the committee with whom I had this conversation informed me that they desired to have all these amendments printed on Monday, and therefore it was important that whatever they had prepared should be in proper form and consistent, and you will observe that this amendment provides "that on and after January 1, 1895, there shall be levied, collected," etc., whereas the clause in the bill which preceded this read as follows:

That so much of the act entitled "An act to reduce revenue, equalize duties, and for other purposes," approved October first, eighteen hundred and ninety, as provides for and authorizes the issue of licenses to produce sugar, and for the payment of a bounty to producers of sugar from beets, sorghum, or sugar cane grown in the United States, or from maple or sap produced within the United States, be, and the same is hereby, repealed, to take effect July first, eighteen hundred and ninety-five, and thereafter it shall be unlawful, etc.

You will see, therefore, that unless that date was changed the provision in here that this duty should take effect on the 1st day of January, 1895, would be inconsistent with it, and there would have been a period from July 1, 1894, to January 1, 1895, when you would have had neither a bounty nor a duty on sugar.

After I left the committee it occurred to me that the other date ought to be corrected to correspond with this. Consequently, on Sunday morning—and this is the only time I ever went before the committee without a request—on Sunday morning I got into my carriage and drove up to Senator Jones' house—he lives only a few blocks from me—for the purpose of calling his attention to this discrepancy, in order that when they had the amendments printed the next morning they might be consistent.

I was informed at his house that he was not there, but had gone over to the Capitol, and I then drove over to the Capitol. I found there Senator Jones, Senator McPherson, Senator Vest, Mr. Breckinridge, Mr. Sharretts, and also, I think, the clerk of the House Committee on Ways and Means, but about that I am not certain. I went into the room and told them what I had come for; that it had occurred to me perhaps they might overlook it, and it was a matter of some consequence to have the bill consistent, and if they made the change from the 1st of July for the duty they should also change the date when the repeal should take effect.

I do not remember now who it was, but someone thanked me for calling attention to the matter; and as I started to go out of the committee room Senator Jones walked with me towards the door and said, "The last amendment which you prepared yesterday afternoon has never been submitted to the other members of the com-

mittee and will not be; it has been abandoned." I said, "All right," and walked out. That was the amendment which changed the duty to 40 and 45, and he made the remark to me, as I was going out of the door, or was going towards the door, that it had not been submitted to the other members, and they had abandoned the idea of submitting it, and nothing more was said about it then or since.

The amendment which I prepared by interlineations in the Committee on Finance I handed to Senator Jones as I passed through going out of the Capitol on that Saturday afternoon and I have never seen it since.

Now, it seems to me that some person—I do not know who it is—has seen that amendment in my handwriting, undoubtedly, from the statement which the Senator has just read to me, and as far as I am concerned it may be published to the whole world and read in the Senate or anywhere else. It was simply a compliance with the request of Senator Jones and the others present, and on that the writer has based all this statement, I presume, though he fixes the time in February. It was on the 5th day of May.

Senator LODGE. The schedule in the bill, as first reported, provided for specific duties, as I understand?

Mr. CARLISLE. Yes, sir.

Senator LODGE. The amendment which you drafted abandoned specific duties and made them all ad valorem?

Mr. CARLISLE. The first one made part ad valorem and part specific. It was my information from Senator Jones that they had agreed upon that, and I was asked to prepare it. The second one, by interlineations, made all the duty ad valorem.

Senator LODGE. Do you know whether the ad valorem duties were advocated by the refining interests?

Mr. CARLISLE. I think they were. In fact, I know, for both the refiners and the planters talked to me on the subject. I have heard all sides on this and other questions involved in the bill. From the time it started, as would naturally be supposed, everybody seemed to think that the Secretary of the Treasury would have some agency in the preparation of the bill, and they came to me and talked with me about a great number of things, about iron, steel, woolen goods, cotton goods, guns, percussion caps, screws, cigarettes, condensed milk, window shades, machinery, bagging, and there are perhaps forty or fifty other things that people have been to see me about. I would usually say to them: "You have come to the wrong place; you should go and talk to members of the committee." Sometimes they would say to me: "We can not get to see them; they are usually very busy."

On some occasions a gentleman would ask me to give him a note to some member of the committee, and I would do so. If a man came to me whom I thought was a gentleman and asked me to give him a letter of introduction to any member of the committee, I did it. I gave a note of introduction to Mr. Mills, and I gave a note to Senator Jones and Senator Vest and others. Whether the gentleman saw them or not in every case I do not know.

Senator LODGE. Did the representatives of the planters come to see you about it?

Mr. CARLISLE. Several times, and sometimes in a body.

Senator LODGE. Did the representatives of the sugar trust come to you also?

Mr. CARLISLE. There have been three gentlemen to see me. Mr. Searles came into my office once, and only once, so far as I remember,

and had some conversation about what he thought ought to be put on sugar. I can not tell you when he did so, but I know we had a conversation on that subject.

Mr. Havemeyer came into my office, Mr. H. O. Havemeyer, who is the president of the trust, I believe. He told me what he thought about it. He thought there ought to be an ad valorem rate on sugar.

Mr. Henry R. Reed, of Boston, has been in my office two or three times, perhaps, and talked about this matter, but I would not undertake to tell you specifically what either one of them said. They were general conversations about the tariff and the rates of duty which they thought ought to be imposed upon sugar.

I had just such conversations with other people representing different articles affected by the bill.

The CHAIRMAN. They were representing their own interests?

Mr. CARLISLE. They were representing their own interests.

Senator LODGE. Did you give them letters of introduction?

Mr. CARLISLE. I am under the impression that I gave Mr. Reed a letter of introduction to Senator Jones. I gave Mr. Havemeyer a letter of introduction to Mr. Mills. Mr. Havemeyer stated that he knew Mr. Mills very well himself, but he said, as Mr. Mills was very busy, he would probably not see him unless he had a note from me, and I gave him a note.

I do not think he saw Senator Mills. The Senator told me afterwards he could not see him. It was only an ordinary note, which I hope, if there is any question about it, will be produced and published.

Senator LINDSAY. Considering the relations of the Secretary of the Treasury to the finance of the country, would you hesitate or regard it as indelicate to suggest any change that you thought was essential to the financial interest?

Mr. CARLISLE. I would not, certainly. But as to the sugar schedule I will say I never made any suggestion about it. I mean by that any independent or original suggestion, any voluntary suggestion. Of course, I would not say that in conference with the gentlemen of the committee, when one of them made a suggestion or proposition, that I would not say something on the subject, just as the other gentlemen would; that is, we would discuss it. But I never otherwise made a suggestion about the sugar schedule.

In further answer to Senator Lindsay's question I will say that we have originated in the Treasury Department quite a number of paragraphs that are in the bill now. Others we have remodeled, redrafted, in the Treasury Department upon our own motion, after having seen them in the bill and coming to the conclusion that they were inartificially drawn; we would reconstruct them and send them to the committee; and the chairman of the Finance Committee has no doubt a great many letters from me making suggestions as to the form in which tariff provisions should be put. It is a very common thing.

I want to say, further, that if I am asked hereafter by the committee to assist them in the preparation of the bill I intend to do it. I consider it part of my official duty to do so in matters which pertain especially to that Department.

The CHAIRMAN. Let me ask you this: Before you entered upon your present office were you a member of the Finance Committee of the Senate?

Mr. CARLISLE. Yes, sir.

The CHAIRMAN. And were you not for many years a member of the Ways and Means Committee of the House?

Mr. CARLISLE. Yes, sir.

The CHAIRMAN. How long?

Mr. CARLISLE. I think I was about six years a member of the Committee on Ways and Means of the House, perhaps not quite so long, because I went to the Senate from the House while a member, and I was from May, 1890, to about the 1st of February, 1892, a member of the Committee on Finance of the Senate.

The CHAIRMAN. And from your experience on those committees was it unusual or necessary in the preparation of tariff bills to consult the Secretary of the Treasury?

Mr. CARLISLE. I never knew a tariff bill to be prepared without more or less consultation with the Treasury Department, sometimes the Secretary himself in person; sometimes with other Treasury officials who were supposed to have expert knowledge upon the subject.

The CHAIRMAN. Was it within your own knowledge as a member of the Ways and Means Committee of the House or the Finance Committee of the Senate a frequent occurrence, or not, to call upon the Secretary of the Treasury for assistance?

Mr. CARLISLE. Oh, yes. It has always been, so far as I know.

Senator LODGE. I understood you to say that this amendment was given by you to Senator Jones and that Senator Vest was present. Did you mention any other member of the Committee on Finance at that time?

Mr. CARLISLE. If you understood me to say that Senator Vest was present when I handed it to Senator Jones you misunderstood me. Senator Vest was present when I was asked to go and prepare it. When I returned from the room of the Committee on Finance to the Committee on Appropriations I was told by the messenger at the door that the gentlemen had left, but that Senator Jones had gone down to his own room, which was on the floor below, but not out of my way as I went out of the building. I went by Senator Jones' room, stepped in and handed him this amendment with my interlineations as I have already described, and simply remarked to him, "I have prepared this as you requested," and went out.

Senator LODGE. During this conversation, before you made the interlineations, were there any other members of the Finance Committee there that you recall?

Mr. CARLISLE. I am quite certain there was no other member present, although Senator McPherson was in the other room, as I have stated. He was not in the large room; I was there but a few minutes. My sole business was to bring that amendment. After I had brought it, this conversation arose as to the change of the form of it, and it was not agreed to, as you understand. It was only suggested that they would present that to the other members for their consideration, but, as I was informed by Senator Jones the next morning, they did not do it.

The CHAIRMAN. They abandoned it?

Mr. CARLISLE. They abandoned it.

Senator ALLEN. I understood you to say, in substance, in preparing this proposed amendment and making interlineations which you made you were simply acting——

Mr. CARLISLE. As the amanuensis of Senator Jones, you might say.

Senator ALLEN. That you were simply acting for his accommodation, and not acting officially or semiofficially?

Mr. CARLISLE. I did not make a single suggestion about it when he asked me to prepare it. There was nothing in it that was not contained in substance in Senator Jones's memorandum, if he gave me one

in writing, or in his statement to me verbally. I merely took what he wanted and put it in form.

Senator LODGE. There was some discussion, I think you said, in regard to the sugar schedule while you were all standing there, before you made the interlineations.

Mr. CARLISLE. Oh, yes. I understood Senator Allen to be speaking now about the first amendment. I brought that over, and when I brought it over, as I have said, this other matter came up, and apparently, if I may use the expression, incidentally I presented this amendment, and we got to talking about it and the suggestion was made that it would be substantially the same thing to put ad valorem all the way through; that is to say, 40 per cent on sugar below No. 16 Dutch standard, and 45 per cent, which apparently is one-eighth more, on sugar above No. 16 Dutch standard, and that was interlined and the Hawaiian part added.

Senator LODGE. You did not advise them as to whether it was better to have ad valorem or specific duties?

Mr. CARLISLE. I have always been in favor of an ad valorem duty, but I do not remember that I gave them any such opinion then. There was very little said about it. I may say also that I have always been in favor of a moderate duty on sugar as a revenue article, and I prepared the minority report on the McKinley bill against the provisions putting sugar on the free list.

Senator ALLEN. I understood you to say that you have no knowledge, personal or otherwise, upon the subject of contributions by the sugar trust to the Democratic campaign fund or any other campaign fund.

Mr. CARLISLE. Not the slightest.

Senator ALLEN. It may be proper for me to ask you in this connection, whether either of these representatives of the sugar trust in talking with you indicated that the Democratic party was under obligations to them.

Mr. CARLISLE. Not the slightest. Mr. Searles, I believe, is a Republican, and whether Mr. Havemeyer is a Democrat or not, I do not certainly know. I think the Havemeyers claim to be Democrats, both of them. I have been acquainted with Theodore Havemeyer and H. O. Havemeyer for a great many years, having become acquainted with them by reason of my services on these various committees where matters affecting their interests were frequently presented, and I never heard either of them say that anybody——

The CHAIRMAN. Did these gentlemen you have mentioned visit the Committee on Ways and Means when the McKinley bill was being prepared?

Mr. CARLISLE. Oh, yes, sir; and also when the Mills bill was pending, and when the Wood tariff bill was pending many years ago. When the Morrison bill was pending the gentlemen who were to be affected by the proposed legislation were here.

Senator ALLEN. When you visited the subcommitte at the Capitol, who was present at that time?

Mr. CARLISLE. I have stated, as near as I can remember, but I will repeat it: Senator Jones, of Arkansas; Senator Vest, Senator McPherson——

Senator ALLEN. This was on the Sabbath?

Mr. CARLISLE. Yes, sir; on Sunday morning. Mr. C. R. Breckinridge, of Arkansas, a member of the Committee on Ways and Means of the House; Mr. Sharretts, one of the Board of General Appraisers

at New York, but I believe his home is in Baltimore, and I think the clerk of the Committee on Ways and Means, but I am not positive as to this.

Senator DAVIS. You mean the Committee on Ways and Means of the House?

Mr. CARLISLE. Yes, sir. I am not positive he was there on Sunday, but I know he was present Saturday afternoon.

The CHAIRMAN. Has he not been working with the Finance Committee in the preparation of this bill?

Mr. CARLISLE. He has been there several times and is regarded as an expert.

The CHAIRMAN. Is he not the gentleman who was sitting beside Senator Vest during the discussion of the tariff bill?

Mr. CARLISLE. I do not know that.

The CHAIRMAN. That is the fact, however.

Mr. CARLISLE. Yes, sir.

Senator ALLEN. I will ask you this question, because the article Senator Lodge read indicates there was a meeting of the members of the sugar trust and certain Senators here on Sunday.

Mr. CARLISLE. I know nothing about it.

Senator ALLEN. Did you at that time see Senator Caffery?

Mr. CARLISLE. No, sir.

Senator ALLEN. Did you see either of the Havemeyers or Mr. Searles?

Mr. CARLISLE. No, sir; I saw nobody about the Capitol except those gentlemen I have mentioned, and the doorkeepers when I entered the Capitol.

Senator ALLEN. There was no passing of Senators from one room to another?

Mr. CARLISLE. No, sir. When I came in I asked the doorkeeper if he knew where Senator Jones was. I had been informed at Senator Jones' house that he was over here.

Senator ALLEN. Did there appear to be any going to and fro from the committee rooms in the Capitol?

Mr. CARLISLE. I did not see anybody in the committee rooms or in the Capitol, except those I have already mentioned.

Senator ALLEN. Did anything indicate to you that messengers were sent from that room and being received into another room?

Mr. CARLISLE. I saw nothing any more than I have already stated.

Senator ALLEN. Your meeting was only casual; it was not arranged?

Mr. CARLISLE. No, sir; it was voluntary on my part.

Senator ALLEN. You did not expect to see anybody but Senator Jones?

Mr. CARLISLE. I did not expect to see anybody but Senator Jones. I supposed Senator Jones was over here in his room at work by himself. When I came here I found the other gentlemen. As I have said, I have not seen any of the witnesses who have testified here, and I have never seen any of the testimony given here.

The CHAIRMAN. Has any member of this committee ever spoken to you about what has been going on here?

Mr. CARLISLE. No, sir; I have not had the slightest communication either directly or indirectly, written or oral, with any member of this committee.

The CHAIRMAN. Until this moment?

Mr. CARLISLE. No, sir; not until I received your telephone message a few moments ago.

Senator ALLEN. Has any Senator who has been examined here conversed with you?

Mr. CARLISLE. I never had a word with anybody who has been examined before this committee—nobody, Senator nor anybody else—about these matters. I have not seen, except in the newspapers, anything that has transpired before this committee. I have not seen any of the testimony taken here except so far as it may have been published in the newspapers, and perhaps I have seen only a small portion of that. I have seen something, and naturally felt some little interest in the question presented here, whether you could compel the gentlemen to disclose the names of the people who have made so many false statements.

Senator ALLEN. The gentleman who wrote the article which Senator Lodge has read to you, and about which he has been examined—Mr. Edwards by name—states that he was informed by a person who was present when you made the appeal which he states you did make to the Democratic members of the committee, but whose name he declines to give to the committee. That is the way the issue sprang up. Have you any notion of your own who could have been present, or who could have been his informant?

Mr. CARLISLE. Not the slightest, because nothing of the sort ever occurred. The only time I ever prepared an amendment to the sugar schedule is the one I have detailed, and it was not in February, but in May.

As I stated at the outset, I have no recollection now which would justify me in saying whether I ever saw the subcommittee or any member of it during the month of February, but I think it is probable I did, because occasionally one of them would come to me and talk about the tariff; not especially about the sugar schedule, but about all the matters connected with the tariff bill.

Senator DAVIS. The policy?

Mr. CARLISLE. The policy; yes, sir. And I was never asked to do anything with regard to the sugar schedule except that one time. The first time I ever remember to have been before the subcommittee at all was during the period when Mr. Mills was serving on it, but the date I am not able to give.

The CHAIRMAN. You were there by request of some member of the committee?

Mr. CARLISLE. My recollection is I was there at the request of Senator Jones.

The CHAIRMAN. Do you remember what was talked about?

Mr. CARLISLE. A great many things, but I could not undertake to tell you what was said. I have no recollection now that anything was said about the sugar schedule.

The CHAIRMAN. Did you talk about the general policy?

Mr. CARLISLE. Of course there was a general talk of what should be done, and what ought to be done, and what the strength of the bill was in the Senate, and such matters as Senators, under the circumstances, would naturally talk about.

SENATOR ISHAM G. HARRIS—Recalled.

Senator LODGE. You have been heretofore sworn and examined in this matter?

Senator HARRIS. I have.

Senator LODGE. You are a Democratic member of the Finance Committee?

Senator HARRIS. I am.

Senator LODGE. And you have served as such during this Congress?

Senator HARRIS. I have.

Senator LODGE. Senator Harris, there appeared in the Philadelphia Press, Monday, May 14, 1894, the following statement:

Upon one occasion, some time in February, when the Finance Committee, or the Democratic members of it, were in, perhaps, informal session, there came into the room unexpectedly to all those present excepting two members, none other than the Secretary of the Treasury, Mr. Carlisle. His going there at that time has never been reported until this writing of it. He went secretly and came away secretly. His visit was supposed to be a confidential one. It was a confidence not imposed upon one member of that committee, and, therefore, it is possible now to make report of what Mr. Carlisle said. They looked upon him as speaking not so much for Mr. Carlisle as for the administration. He did not say that he came from the President, but when he had finished making his astonishing statement not one of those who heard him doubted that he had come from the President and was echoing the President's wishes and giving emphasis to them by an earnest, and for him, excited manner. What he said is quoted from remembrance, but it is substantially accurate, as it was reported by one who heard it. He said:

"Gentlemen, there is one thing that I am bound to say to you as earnestly and impressively as I can do it, and I speak to you as a Democrat to Democrats. No party or the representatives of no party can afford to ignore honorable obligations. I want to say to you that there seems to be danger that this is going to be done. Gentlemen associated with the sugar-refining interests (I may tell you what perhaps you do not know) subscribed to the campaign fund of the Democratic party in 1892 a very large sum of money. They contributed several hundred thousand dollars and at a time when money was urgently needed. I tell you that it would be wrong, it would be infamous, after having accepted that important contribution, given at a time when it was imperatively needed, for the Democratic party now to turn around and strike down the men who gave it. It must not be done. I trust that you will prepare an amendment to the bill which will be reasonable and in some measure satisfactory to these interests."

That in substance was the plea of Secretary Carlisle to the members of the Finance Committee that they respect the obligations entered into by the national campaign committee and the personal representatives of Mr. Cleveland in 1892. It was a plea powerfully put. Mr. Carlisle said but little more; he had said enough. He turned and left the committee, going away with that secrecy with which he came, but before he did so he signified his willingness himself to prepare an amendment which he thought would be fair to the Government and yet be just to the sugar interests.

That very thing he did not long after. The chairman of the Finance Committee received and showed to certain favored friends the draft of an amendment in Secretary Carlisle's own handwriting to the sugar schedule, and that draft is in Mr. Voorhees's possession to this day, unless he has destroyed it. Secretary Carlisle had scratched out from the printed schedule the provisions as originally made and by interlineation had inserted the following words: "On all sugars not above No. 16, Dutch standard, and on all." After the word "all" the printed form remained in which mention was made of other sugars, and then this interlineation, "instead of one-eighth of 1 per cent, 45 per cent ad valorem."

Do you know of any such statement having been made by Mr. Carlisle to the Finance Committee?

Senator HARRIS. I have never heard of any such statement having been made by Mr. Carlisle to the Finance Committee or to anybody else, or to any member of the committee or anyone else, until I heard of that publication.

Senator LODGE. Did you ever see or hear of the memorandum there referred to?

Senator HARRIS. Never, until the reading of the article.

Senator LODGE. You never heard Mr. Carlisle say anything to the committee which could be twisted or distorted in the way it is in that article with relation to the sugar trust contributing money to the Democratic campaign fund?

Senator HARRIS. I am absolutely confident that never in my presence has he ever made any such remark or the remotest reference to the sugar trust or anybody else contributing money to the Democratic campaign fund.

The CHAIRMAN. Have you ever heard from any other member of the committee that such an appeal was made to them by Mr. Carlisle?

Senator HARRIS. Never.

Senator LODGE. There is this further statement in this article:

We had, upon the Sunday before the bill as first reported was sent to the Senate, a striking illustration of the absolute domination of the sugar trust over the Democratic members of the Finance Committee. That was an all-day-and-half-the-night session, and upon the Sabbath day. In one room were the Democratic members of the Finance Committee, and also in the wing of the Capitol were the representatives of the sugar trust. There were Havemeyer and Terrill and Meyer, Ben Le Fevre and others. These men sat as the rulers of a political convention sit in a place apart and yet within instant communication of those who are to act. There were runnings back and forth between the finance rooms and the quarters occupied by the trust all day. Everything had been arranged up to the point of satisfying Louisiana Senators. Even the trust realized that it was necessary for the Democratic party to placate these Louisiana men, or else there would surely be two votes against the bill. It was a question of compromise, each side giving a little and taking a little. At one time it seemed as though the whole negotiation must go to pieces. Never was there more desperate battle between conflicting interests in the committee rooms of the Capitol. At last, late that evening, Senator Caffery drafted a schedule, Mr. Havemeyer looking over his shoulder and the other members of the sugar trust watching the Senator with eyes that fairly glittered, so one Senator who saw that spectacle afterwards reported. It was the crucial moment. When Senator Caffery had finished, the sugar trust read his draft, reluctantly accepted it; it was taken to the room of the Finance Committee and there accepted, the victory won, and the original draft is still in the possession of the committee in Caffery's handwriting and with the approving marks of the sugar trust upon it.

Did that occur as there described?

Senator HARRIS. Never. I have never heard of any representative of the sugar trust being in the Capitol upon the occasion of any meeting of the Finance Committee.

Senator LODGE. You have never seen any members of the sugar trust?

Senator HARRIS. I do not know that I have personally met a single man connected with the sugar trust. If I have ever met Mr. Havemeyer I was not aware of the fact that it was Mr. Havemeyer, and I may say frankly that no sugar-trust man, or no man in the interest of the sugar trust has ever approached me for one moment's conversation on the subject.

I will say further in that connection that at no time when the Democratic members of the Finance Committee have met for consultation have I been aware of the fact that there was anybody about the Capitol who was being consulted by the Democratic members of the committee or any one of them. Occasionally, upon such consultations, at the instance of myself or some other member of the committee, we have wanted an expert, the presence of an expert a few moments, to make certain calculations or to give certain information.

Mr. Durfee, who has been an employé of the Finance Committee ever since I have been in the Senate, has been frequently sent for upon occasions, and so soon as we got through with the work we required him to do he retired, and we went on with our discussion.

I will also say with regard to Mr. Carlisle, that I do not know of a single instance that Mr. Carlisle has come before the Democratic members of the committee when in consultation, except, perhaps, two occasions when he has been specially requested to come, because we wanted to confer with him as to what his opinion was as to the effect of a given

proposition, and to confer with him as to his views as to the policy of putting this proposition in this form or in that form.

I remember one occasion when I know he was invited by Senator Jones, and I knew that Senator Jones intended inviting him, because we were going to consult him. Whether it was Sunday or some other day of the week I do not know. I know we met for consultation on one Sunday, when I can not say, or even as to what month it was in; but there were then present Senator Voorhees, Senator McPherson, Senator Harris, Senator Jones, and Senator Vest. I call them in the order in which they are arranged at the committee table, and Mr. Carlisle came to the committee room at our request, and we propounded certain questions to him.

Senator DAVIS. Do you remember upon what subject?

Senator HARRIS. Upon the subject of the polariscopic or Dutch standard test as to sugar.

Senator DAVIS. I wish you would endeavor to recall what month that was in.

Senator HARRIS. I should say it was either late in April or early in May; that would be my impression, but my mind is less reliable as to dates than as to anything else. But there never was a word said by Mr. Carlisle to any member of the committee in my presence about the sugar trust or about campaign funds.

Senator DAVIS. Do you know anything as to the truth or falsity of these allegations about contributions by the sugar trust or any individual or individuals in its behalf to either of the political parties?

Senator HARRIS. I do not know that I ever heard of them until the publication of this paper.

Senator DAVIS. We are required by this resolution to investigate whether any Senator has been investing in sugar stocks pending this bill. I ask that question of you.

Senator HARRIS. I am glad you did. I have never invested a cent or any sum whatever in any such speculation. I never had the slightest shadow of interest in sugar stocks, and, I regret to say, or in any other stocks.

Now, I will add the question that was propounded to Mr. Carlisle as to those two methods of testing sugar, and as to specific or ad valorem duties, was simply one branch, when we consulted him perhaps about a dozen different things in the metal and other schedules of the bill.

Senator LODGE. The question being between specific and ad valorem duties?

Senator HARRIS. The question being between specific and ad valorem duties. At least that was one of the questions.

Senator DAVIS. I understand you to say that various features of the bill were under discussion, and that was one of them?

Senator HARRIS. The whole bill was before us and we were considering the various items of the bill, and I suppose we discussed items of half a dozen or more schedules.

Senator DAVIS. With the Secretary of the Treasury?

Senator HARRIS. With the Secretary of the Treasury, and he was sent for for the purpose of giving us his opinion as to the effect of putting this schedule in this form or in that.

Senator LODGE. Did he make any recommendation to you in regard to the sugar schedule or the mode of collecting sugar duties?

Senator HARRIS. Nothing beyond such questions as we propounded to the effect of this method or that method, or as to the best method in

his opinion of ascertaining the saccharine strength of sugar. The safest method for collection.

The CHAIRMAN. Administration?

Senator HARRIS. Administration.

Senator DAVIS. I suppose no stenographic notes of these meetings were taken?

Senator HARRIS. No, sir; it was simply a conference between members of the committee. I am sure we invited Mr. Carlisle there upon one occasion.

Senator ALLEN. Mr. Carlisle never took occasion to remind the Democratic members of the obligation upon the Democrats for the campaign fund contributed by the sugar trust, as this article indicates?

Senator HARRIS. Oh, no. He was simply before the committee when I have been present and responded to such questions as members of the committee asked him, and it was always upon the practical question——

Senator ALLEN. It was upon the general drift and policy of the bill and the different leading items.

Senator HARRIS. Precisely.

At 4:35 o'clock p. m. the committee adjourned until to-morrow, Friday, June 1, 1894, at 11 o'clock a. m.

WASHINGTON, D. C., *June 1, 1894.*

The committee met pursuant to adjournment.

Present: The chairman (Senator Gray) and Senators Lindsay, Lodge, Davis, and Allen.

SWORN STATEMENT OF JOHN DeWITT WARNER.

The CHAIRMAN. You are a member of the House of Representatives of the United States?

Mr. WARNER. I am.

The CHAIRMAN. From the State of New York?

Mr. WARNER. I am.

The CHAIRMAN. I will read from the New York Sun of May 28 a paragraph which is credited to the New York Herald, and is as follows:

> I have information which enables me to say in the most positive manner that, while the fight for free sugar was going on in the House that resulted in the trust being deprived of its protection, an attempt was made to call off John DeWitt Warner, the leader of the opposition to the trusts, and he was given to understand that certain men of great prominence in the Democratic party wished that the sugar schedule should contain some protection to the trust, owing to the aid given by the trust during the Presidential campaign.

What have you to say in regard to that attempt to call you off and the reason given for it?

Mr. WARNER. I should prefer you would put your question a little more definitely just now.

The CHAIRMAN. I have read the paragraph in your hearing. Is that statement correct?

Mr. WARNER. It is not, as referring to any particular incident which could be characterized to the extent assumed in the paragraph.

The CHAIRMAN. The paragraph states that an attempt was made to call you off in your opposition, and that you were given to understand

that certain men of great prominence in the Democratic party wished that the sugar schedule should contain some protection to the trust, owing to the aid given by the trust during the Presidential campaign. Is that true?

Mr. WARNER. It is not true, so far as I recall that in any case I was assured or informed that prominent members of the Democratic party wished the duty to remain on sugar for the reason that the sugar trust had contributed to the campaign.

The CHAIRMAN. What were the reasons given?

Mr. WARNER. So far as the matter was mentioned in connection with prominent members of the Democratic party the reasons given, so far as they were given, were that to strike out the duty on sugar would imperil the passage of any tariff bill.

The CHAIRMAN. Who urged those reasons?

Mr. WARNER. For the present I decline to state. I am willing to make an explanation later which perhaps may satisfy you.

Senator LODGE. Let me ask you a question. Were you urged to forego your opposition to duties on sugar because of planters in Louisiana?

Mr. WARNER. Yes; but I am not sure as to whether that was before or after the bill passed the House.

Senator LODGE. Were you urged to forego your opposition to duties on sugar on account of the refiners?

Mr. WARNER. I believe that no one has assumed in any conversation or any communication with me to represent or to speak for the refiners.

Senator LODGE. I mean for the refining interest. I said the refiners in opposition to the planters.

Mr. WARNER. I meant my opposition to be general.

Senator LODGE. The planting interest on one side, you understand, and the refining interest on the other, and I understand you to say that there was opposition to free sugar; but what I want to get at is whether that opposition came to you on behalf of the planting interest or on behalf of the refining interest, or both.

Mr. WARNER. The particular matter to which my attention was called related to the refining interest; but I did not understand that any communication or statement or suggestion made to me was made by those interests, or professedly, at least, in their behalf.

Senator DAVIS. Was it suggested that in case the duty was not put upon or retained upon sugar the refining interest would defeat the passage of the bill?

Mr. WARNER. That was practically the suggestion made, or the effect of sundry suggestions made.

Senator DAVIS. Will you state who made that suggestion, or those sundry suggestions?

Mr. WARNER. I will not, although I should be glad to explain the general circumstances.

Senator DAVIS. You decline to state at present?

Mr. WARNER. I decline to state at present.

The CHAIRMAN. Was it in the nature of a threat by the persons who communicated to you that they would, or was it an expression of fear that the result would be the defeat of the bill if protection was not given to the refining interests?

Mr. WARNER. In the main, the latter. To a large extent the suggestions came from those whom I believed to be as much interested in free sugar and free trade as I am.

The CHAIRMAN. Were they colleagues of yours in the House?

Mr. WARNER. They were; and that was the explanation which I was about to give.

Senator DAVIS. Were all these suggestions made by your colleagues?

Mr. WARNER. I have tried to think of that since I was summoned last evening, not knowing what the particular basis might be, and yet at the same time receiving nothing except it was in connection with that matter, and so far as I now recall there is but one case in which a suggestion was made, I mean anything direct that I could put my finger upon, by a gentleman not a member of the House at the time the bill was pending in the House.

Senator DAVIS. What suggestion did he make?

Mr. WARNER. I will explain. The gentleman approached me in a street car after everyone else had gotten out, and asked me if I did not recognize political obligations and so on, and if I would not pay attention to the opinion of certain people—if they were not people to whose opinion I would pay attention. I asked him whom he meant.

The CHAIRMAN. Was it a person whom you knew?

Mr. WARNER. It was not. It was a man whom I recognized I had seen. I asked him what he meant. He wanted to know if he could bring me proof that they had contributed at a critical moment, whether I would consider it.

Senator LINDSAY. Contributed to what?

Mr. WARNER. To Democratic success in New York.

Senator DAVIS. Did he mention the names of the people?

Mr. WARNER. He did not.

The CHAIRMAN. What reply did you make?

Mr. WARNER. I replied that I did not think I would. In fact, it was a little bit warmer than that.

The CHAIRMAN. State what you said.

Mr. WARNER. I told him he was too familiar on short acquaintance in making such an acquaintance as that. It is, perhaps, not fair, and yet I will state my impression at the time, which I found to be a mistaken one, that he was a man whom I had never before seen, and that he was attempting to get information for tips that were being sent over by some one all the time from here to New York in regard to influencing the stock market.

Senator DAVIS. Have you seen him since?

Mr. WARNER. I afterwards recalled that he was a man whom I have met and probably been introduced to.

Senator DAVIS. Do you know his name now?

Mr. WARNER. I do not.

Senator DAVIS. Do you know his business?

Mr. WARNER. I have nothing but a general impression as to his business, which is that he was a lobbyist, and that impression I only get from the connection in which I afterwards remembered I had been introduced to him.

The CHAIRMAN. Was he in office?

Mr. WARNER. He was not; no, sir. I would not say he is not an official, but my impression is that he is not. I do not know his name.

Senator ALLEN. Do you know his residence?

Mr. WARNER. I do not.

Senator ALLEN. Have you any recollection as to his name?

Mr. WARNER. I have not.

Senator ALLEN. I mean as to ascertaining his name?

Mr. WARNER. I have not.

Senator ALLEN. How long have you known him lying around the Capitol here?

Mr. WARNER. I have seen him once since. He did not force himself upon my attention at all. I should not have recalled him then except for the circumstance, and I had, I believe, seen him but once before.

Senator ALLEN. Could you give a description of the man?

Mr. WARNER. Nothing, except that he struck me as being very well dressed, a little excessively so; a man of medium height. At least, he did not attract me as being tall or short, and I took him for a man who was trying to get tips to sell. He did not have anything political or anything else to do. He was simply trying to find out in his way whether there was going to be a stiff fight on sugar, or whether it was to be all over.

Senator ALLEN. You said you think he was a lobbyist. What business did he represent?

Mr. WARNER. I have no idea at all.

Senator ALLEN. What was it he said to you about the sugar trust having contributed to the campaign fund in New York?

Mr. WARNER. He did not say they had. He wanted to know if they were not men, or if they were men—I do not now remember the exact words—as to whom I would be willing to consider their opinion or follow their judgment, something of that kind, in case I was convinced that they had materially contributed to Democratic success in New York, and I do not remember that he added anything more. I may have cut him off a little short.

Senator ALLEN. He was speaking then with reference to the sugar interest?

Mr. WARNER. He had prefaced that remark by saying that he supposed that the sugar fight was over with, or something of that kind.

Senator LODGE. The sugar fight in the House?

Mr. WARNER. Yes, sir; between the time that the Committee of the Whole took the action that it did and the time that the bill was finally voted in the House. Although that is a very strong impression, I would not be certain that it was not after it had passed the House. It did not make much impression upon me at the time and would not now except for what has happened since.

I took him as a man who was selling tips, who was getting tips, who wanted to be able to say so and so is not going ahead, or so and so is going ahead, and so on.

Senator LODGE. In this paragraph it says the attempt to call off John Warner, the leader of the opposition to the trust, and you have referred to representations made to you, sundry suggestions by your colleagues in the House and elsewhere in regard to that opposition, and that there was danger of the defeat of the bill—where? In the Senate?

Mr. WARNER. At the time I think it referred more particularly to the House?

Senator LODGE. Danger of defeating the bill in the House?

Mr. WARNER. Danger of defeating the bill in the House.

Senator LODGE. And this danger arose if the House placed sugar on the free list?

Mr. WARNER. Exactly.

Senator ALLEN. How would that endanger it in the House?

Mr. WARNER. I am perfectly willing to give my surmise, but at the same time it is only a surmise.

Senator ALLEN. In what respect?

Mr. WARNER. That there were a number of Representatives who would not vote for the bill if sugar were put on the free list, who might vote for the bill and probably would vote for the bill in case no such amendment was made.

Senator LINDSAY. I will ask you if the matter was presented in this way: that there were a number of members of Congress who believed that sugar was entitled either to be taxed as a revenue product, or to receive a bounty, and if it got neither those people would not vote for the bill?

Mr. WARNER. That was the character, or a part of the representations, to which I alluded.

Senator DAVIS. There was another part of representations concerning which I asked you a question a few moments ago in regard to the threat, impliedly or directly expressed, that the sugar trust would proceed to defeat this bill if that was not done.

Mr. WARNER. I think I was erroneous if I mentioned that the threat had been put in the shape that the sugar trust would kill the bill. I do not remember any such definite suggestion made.

Senator DAVIS. Was it represented definitely or indefinitely that they would attempt to kill the bill?

Mr. WARNER. There was little said about the sugar trust, so far as I know or can recall now, until the very day upon which the bill, or the day before the bill, passed the House. There then appeared—well, I could hardly say that. I was informed that parties were in town organizing a vote to defeat the amendments, it being the rule, as you are all aware, in the House, that any amendment to the bill, though ratified by the Committee of the Whole, passed by the Committee of the Whole, may be made subject to a separate vote in the House, and the general information, so general that it had not occurred to me before, and I do not know now that I could state definitely where it came from, was that the trust people were at work upon that particular matter.

Senator DAVIS. Sugar-trust people?

Mr. WARNER. Sugar-trust people. So far as I could recall, that is the first time that the sugar trust, as an agent working in Congress, was called definitely to my notice. I would not say but what sugar trust had been mentioned. I suppose it had been, but that was not the burden of the suggestions. At that time it was talked about that there were people in town——

Senator DAVIS. Were those statements made to you by your colleagues in the House?

Mr. WARNER. Exclusively so, I think, although about that I would not be sure, because they were not so much statements made to me as they were floating in the air. As I was interested in the matter, my ears were a little more open than other people's, and I may say that the last day, the day before the bill passed, was the day when perhaps the trust, as such, was more mentioned than any other day, and that in connection with the telegrams which were being showered upon the House from every quarter——

Senator DAVIS. Telegrams, to what effect?

Mr. WARNER. I speak now from information, as I did not receive any of those telegrams. But I saw a great many telegrams received by different members of the House. Some of them were receiving, I should say, 10, 15, or 20 telegrams a day. Others would hold up telegrams to me and say: "That is what you have gotten us into." I am informed that they received many of them at different hotels.

The CHAIRMAN. Were these all in relation to the sugar interest?

Mr. WARNER. They were received in the main, I think, from wholesale grocers.

Senator DAVIS. What was the effect of those telegrams?

Mr. WARNER. To kill the free-sugar amendment; and in that connection it was explained and discussed in the House as being merely an evidence of the closeness of relation between the sugar trust and all of these grocers who had waked up so suddenly.

Senator ALLEN. In the receipt of those various telegrams from wholesale grocers did you recognize any influence of the sugar trust?

Mr. WARNER. Yes, sir; but at the same time I do not want anybody to take that as evidence.

Senator LINDSAY. That is your impression?

Mr. WARNER. That is my impression.

The CHAIRMAN. Were there any telegrams affecting provisions in the bill?

Mr. WARNER. Not that I heard of; but at the same time I do not think I would be likely to have heard of them.

The CHAIRMAN. Did you receive applications from those who thought they were affected by other schedules in the bill?

Mr. WARNER. By other schedules? Oh, yes; I received plenty of letters and telegrams. What I referred to were the telegrams apparently running on the floor in a shower; these boys rushing around with them, one boy after another, saying, "I have another one, Mr. Warner," and so on. They brought some of them to me at first, and it got to be an old story.

The CHAIRMAN. Why did they show them to you particularly?

Mr. WARNER. Because they supposed I was interested in the free-sugar amendment, and because I had been around the day before hearing this rumor as to what had been going on to defeat the amendment. Perhaps I had been around a day or two before seeing whom we could count on in the House, and organizing in that way. It was not so much the result of any inquiry1 made in regard to the telegrams as it was a voluntary matter of people bringing telegrams to me; but it was the natural friendly act of those who knew me to be interested, and whom I had been to see about organizing the tariff in the House.

Senator LODGE. Is this statement in the paper true that you made a special opposition to the trust?

Mr. WARNER. Yes, sir. I do not remember the statement in the paper.

Senator LODGE. It simply refers to you as leading the opposition to the trust.

Mr. WARNER. I think what it alludes to there is that I was the one who moved the amendment by which refined sugars were put upon the free list.

Senator LODGE. That amendment, of course, struck the trust?

Mr. WARNER. It did, I suppose.

Senator ALLEN. You speak about the sugar trust organizing opposition to certain amendments when this schedule was under discussion in the House.

Mr. WARNER. I was told that there were people organizing opposition.

Senator ALLEN. In this city?

Mr. WARNER. Yes, sir.

Senator ALLEN. Do you know the names of any of them?

Mr. WARNER. I do not remember that I heard but one name mentioned. I heard two names mentioned, one of them I forget, because I had occasion to remember that one day shortly afterward.

Senator ALLEN. Did you hear Mr. Searles's name mentioned?

Mr. WARNER. I am not sure that I did at that time.

Senator ALLEN. You recognize the name, however, now?

Mr. WARNER. Oh, I have known Mr. Searles a good many years.

Senator DAVIS. What name did you hear mentioned?

Mr. WARNER. The one I heard mentioned was that of Mr. White, the late Representative from Brooklyn. He said nothing to me nor I to him.

Senator ALLEN. Is that S. B. White?

Mr. WARNER. S. B. White; and I may say he was not as active as another gentleman I saw and whose name was given me at the time, and as to whom I tried afterward to find out his name, and I should like very much to know it now.

Senator LODGE. What was his name?

Mr. WARNER. I do not know.

Senator LODGE. You do not recall the name?

Mr. WARNER. No, sir. I was told at the time, why, here is "Deacon White and so and so." I did not know who Deacon White was at the time, but it seems to me the other man was putting in his work, whatever he was doing—I do not know what he was doing—a great deal more carefully and systematically, and afterwards I wanted very much to find out who the other man was.

Senator LODGE. Did you see the other man?

Mr. WARNER. I had him pointed out as a man who was taking Congressmen from the lobby where the reporters—where the elevator runs up to the press gallery. I was in a hurry, and it never occurred to me to know him then, and I could not describe his appearance, although if the man would suddenly appear before me I would recollect at least that I had seen him.

Senator LODGE. Was the man supposed to be interested in sugar?

Mr. WARNER. I do not know that this statement was made.

Senator LODGE. Did you hear his name at the time?

Mr. WARNER. The statement was made as to the extent of the work that the sugar trust was putting in. The sugar trust was mentioned on that day.

Senator LODGE. Did you hear this man's name mentioned at the time?

Mr. WARNER. Yes, sir.

Senator LODGE. Would you recognize it if you should hear it?

Mr. WARNER. I think I should.

Senator LODGE. Was it Mr. Searles?

Mr. WARNER. It was not that of Mr. Searles.

Senator LODGE. Was it Henry R. Reed?

Mr. WARNER. Reed of Boston, you refer to?

Senator LODGE. Yes.

Mr. WARNER. No, sir.

Senator ALLEN. Was it Mr. Havemeyer?

Mr. WARNER. No, sir.

Senator ALLEN. Or Joseph Rickey?

Mr. WARNER. No, sir; I do not know Joseph Rickey. If the name had been immediately connected I might have given it as Mr. Rickey, because I have heard it frequently.

The CHAIRMAN. These statements, which you say were made to you in the House by your colleagues in regard to the sugar schedule, were statements which were urged upon you not to put a tax or a duty on refined sugar which would or might result in the defeat of the bill?

Mr. WARNER. Some of those statements were such.

The CHAIRMAN. What was the nature of them?

Mr. WARNER. The nature of the statements was practically of two kinds, one that certain prominent Democrats were interested, and that they were those whose judgment I would presumably follow; that they believed that the trust—not the trust, but the refiners—I do not know that at that time the trust was much spoken of—the refiners ought to have a pretty good duty. A great many of the statements practically stopped at that. A few of them went further and gave as a reason that the bill would be defeated. I do not recall any particular case, although there may have been cases where both those statements were combined, and if I may be permitted to make an explanation it will, perhaps, cover all the circumstances, which were these: The free-sugar amendment had been moved and carried—or left in a mess in the House, rather—in the House one afternoon. A parliamentary tangle had arisen. The House was in session that evening. I was in great anxiety that that parliamentary tangle should be settled in the way that I wanted it. I therefore took occasion to see on the floor of the House as many as possible of the members before I left in the afternoon. I saw all I could during the evening. I came over here during the evening session and saw all I could, and the next morning I came over here before the session and saw every one I could, and it was not a case of my asking them, or of them coming voluntarily to me and speaking about these particular matters. But the matters were brought up in a friendly way in connection with the effort I was making in attempting to get them to help me to keep sugar on the free list, and these matters were mentioned at that time during that day, and the next day, more as a consideration for me to take into account later when the matter was to come up for consideration in the House. The only difference that I now recall between the character of the statements and suggestions was that they were more voluntary on the part of those who made them, and less induced or justified by any seeking on my part of them, or assistance from anybody.

The CHAIRMAN. In these communications to you of which you have spoken, by your colleagues, were there any that were characterized by any impropriety?

Mr. WARNER. None that of themselves were improper; none which would suggest themselves to me except the mere fact that while in the earlier talk, the two days I have mentioned, nearly all of these were practically brought on by myself, and to a very large extent with those whom I considered my friends and friends of the amendment on free sugar.

The CHAIRMAN. Then your reason for not giving names is not founded upon any impropriety in communications that were made to you?

Mr. WARNER. Not in any one case. But I will add in the later period, while there was no one case which I would be justified as regarding as improper, they were in a very large measure, a very much larger measure than before, the result of voluntary suggestions to me of facts and arguments on the part of those who had not been accustomed to consult with me to any particular extent and whose confidence to that extent I had not invited. I do not believe there was a case which I can recall where there was a suggestion which in itself could be improper.

Senator DAVIS. You were very active in your advocacy of free sugar?

Mr. WARNER. Yes, sir.

Senator DAVIS. In the course of the consideration of that bill in the

House, how many times, as nearly as you can remember, whether many or few, was it intimated to you that persons interested in the sugar interest had contributed to the success of the Democratic party in New York?

Mr. WARNER. A great many times, although it was in the shape largely of an assumption rather than an intimation, or of even pretended information.

Senator DAVIS. That was stated as a fact, was it not?

Mr. WARNER. It was more frequently assumed. I do not recall that in a single case it was stated to me as a fact in the way of information.

Senator DAVIS. Was that assumption addressed to you as a reason or a persuasion why you should withdraw or qualify your advocacy of free sugar?

Mr. WARNER. It was not put in that shape, with possibly one or two exceptions——

Senator DAVIS. Was it put in that connection as an appeal to you to cease or qualify your advocacy of free sugar?

Mr. WARNER. Not except in this way: That the relations which might be indicated by such contributions and their acceptance were suggestions that I could not hope to succeed, and would only make trouble for myself and my friends by going ahead.

Senator DAVIS. That it was intimated to you that your political future depended somewhat upon your caution in that respect, or your success in that measure?

Mr. WARNER. My success in that measure.

Senator DAVIS. When these representations or assumptions were made to you, it was in connection with an attempt to persuade you from the position you had theretofore occupied?

Mr. WARNER. Hardly so. Sometimes it could possibly be called an attempt—more frequently in a friendly way to give me the size of the job I had gotten hold of.

Senator DAVIS. It was made to you by gentlemen who were opposed to you in your views respecting the taxation of sugar?

Mr. WARNER. To some extent, but not by any means entirely.

Senator DAVIS. Did any of these gentlemen state when those contributions were made in New York?

Mr. WARNER. I do not think there was anything definite about it.

Senator DAVIS. In what campaign did you understand they were made?

Mr. WARNER. If you ask me now I would say in the campaign of 1892. But I do not recall anything in those conversations which would lead me to that result.

Senator DAVIS. The Presidential campaign of 1892?

Mr. WARNER. Well, the campaign of 1892. So far as I have an impression it was not that it was a special Presidential matter or national committee matter—what, I do not know, but I gathered a good deal about it.

Senator DAVIS. Did any of these gentlemen say to whom those contributions had been made?

Mr. WARNER. I think not.

Senator DAVIS. To a committee, person, or what?

Mr. WARNER. I think not.

Senator DAVIS. Was the amount stated or assumed?

Mr. WARNER. In one case I think the question was asked me whether they had given $300,000 or not, or whether I knew anything about it.

Senator DAVIS. What was your reply?

Mr. WARNER. My reply was that I did not know anything about it; that I presumed they had given to both sides.

Senator DAVIS. Was this statement made to you by a colleague in the House?

Mr. WARNER. Yes, sir; it was not a statement.

Senator DAVIS. An assumption or impression?

Mr. WARNER. Yes, sir.

Senator DAVIS. Are you willing to give his name?

Mr. WARNER. I am not.

Senator DAVIS. You decline to do so?

Mr. WARNER. Yes, sir; I do, for the simple reason that there is no end of going into conversations between members of the House if it is once commenced.

The CHAIRMAN. We are here charged with the duty of inquiring in a certain way how Senators are affected by this matter.

Senator LINDSAY. I have been thinking all the while that we have been investigating the House rather than the Senate.

Senator ALLEN. Was this communication to which you refer now by some member of the House communicated to you during the session of the House, or was it at some other time?

Mr. WARNER. In the main they were during the sittings of the House.

Senator ALLEN. This particular communication that you just referred to, where some member of Congress told you that the sugar interests had contributed to the campaign fund of 1892?

Mr. WARNER. I do not think that he told me that. You refer to this communication last mentioned. I was asked if the particular sum had been mentioned at all.

The CHAIRMAN. Did you state, or do you mean to say, that this gentleman of whom you speak, this member of the House, told you that a particular sum of $300,000 had been contributed, or did he ask you?

Mr. WARNER. No, sir; he simply asked me whether I knew it, or if I had been told. I am perfectly free to state to everyone here the impression I got was not that he was giving me information, or not that he was urging anything, but he was simply putting me on my guard as to matters that might be raised.

Senator DAVIS. Was he in favor of a duty on sugar?

Mr. WARNER. No, sir; I think not.

Senator ALLEN. Was this something that occurred in the session of the House or during a session of the committee?

Mr. WARNER. My impression is that it was. But you know in the House, unless something is very important, we are apt to stroll around and sit in the lobby, and it is pretty hard to distinguish before and after sessions.

Senator ALLEN. If this was idle conversation during the session of the House, and no part or parcel of the public proceedings, nor any part of the official proceedings of the committee, do you claim that that conversation to you was privileged?

Mr. WARNER. I make no claim whatever as a member of the House to my privilege even from attending the sessions of this committee. But as an honorable gentleman, and a member of the House, I should not, except upon such extraordinary occasions as might justify extraordinary conduct upon my part, for one moment assume the right of anyone to interrogate a member of the House as to conversations which we all have at all times about public business in the House. It would

be absolutely destructive of the confidence which members ought to have in each other in the free interchange of debate.

Senator ALLEN. I do not want to discuss that question at all; I want to make this suggestion to you, that anything that does not occur in the nature of an official communication, which is no part or parcel of the proceedings of the House—the official proceedings—and is not part or parcel of the proceedings of your committee, are not privileged to you, and you are not any more privileged to retain those conversations than any other private citizen.

Mr. WARNER. I do not mean for one moment to discuss the subject with the Senator. I meant to state, and I will try to do it in a very brief way, that what is confidential is confidential irrespective of privilege, and will be so regarded by me.

Senator ALLEN. Do you now decline to give this man's name?

Mr. WARNER. I most certainly do.

Senator ALLEN. On what ground?

Mr. WARNER. On the ground, among others, that I claim my privilege absolutely against any interrogation by this committee; on the ground, in addition, that the friendly conversations between members of the House upon the basis of assumed mutual confidence is something which can not be gone into, and that the practice in that regard has made a precedent which it is to the public interest to keep inviolate.

Senator DAVIS. Of course, these communications were not given to you with an intent to communicate to anybody else?

Mr. WARNER. Not at all.

Senator DAVIS. There is a distinction between such communications and those addressed to newspaper correspondents?

Mr. WARNER. Yes, sir; entirely.

Senator DAVIS. You take that position?

Mr. WARNER. I have nothing to do with newspaper correspondents.

Senator ALLEN. In view of the fact that this statement of this member of Congress to you that you speak of was more in the nature of an inquiry upon his part than a statement of fact, why do you secrete his name?

Mr. WARNER. I have secreted nothing. I have simply declined to go further in that particular matter in the direction you suggest.

Senator ALLEN. In view of the fact that his remark to you was in the nature of a query for information, and he did not purport to have any knowledge of the matter himself, but simply inquiring what you knew about it, why should you refuse to divulge his name?

Mr. WARNER. I do not consider myself called upon to give my motive after I have given the reasons; but I will call the Senator's attention to the fact that I have already explained that I did not consider the question as a query seeking information, or as a direct statement giving information, but rather as a friendly suggestion to myself as to something which, whether existing or not, it was well for me to keep in mind and look out for.

Senator ALLEN. Now, the failure to give his name under these circumstances, I think, would authorize the deduction that he was possessed of some information which the committee ought to have.

Mr. WARNER. I do not think he was.

The CHAIRMAN. Did he profess to have any information?

Mr. WARNER. He did not.

Senator ALLEN. This article, published in the New York Sun, of May 28, to which your attention has been called, purports to be the

result of the work of a correspondent of that paper; do you know who the Washington correspondent of that paper is?

Mr. WARNER. I know who are the correspondents of the Sun and of the Herald.

Senator ALLEN. Do you know the particular author of this article?

Mr. WARNER. Not, except by inference.

Senator ALLEN. You may state, if you know, any facts in connection herewith.

Mr. WARNER. No; I shall certainly not state. There is no particular reason why I should state. I simply do not know, as I say, except by inference.

Senator ALLEN. Was any information such as contained in this article given out by you to any correspondent?

Mr. WARNER. No, except in this way. A correspondent or several correspondents have from time to time asked me, as I presume they have asked other members, as to matters of this kind, what was going on in the House ever since the sugar matter arose in the House. I was a little surprised at the publication of that, but upon reflection I recall that a correspondent had asked me a question not quite like that, but something like that, and wanted to know if he could publish it. I said no; I did not care about being interviewed upon the matter.

I was about to say he called my attention to it. He rather did not. He may have thought that was a fair inference or something of the kind from other things I had told him. I used some conversation like this: "You will have to be responsible for anything you state. I do not care to be interviewed upon that subject;" and, upon recalling that, which made no impression upon me at the time, it did not seem to me quite so much of a surprise or breach of courtesy as it otherwise might have.

Senator ALLEN. This correspondent says:

> I have information which enables me to say in the most positive manner that while the fight for free sugar was going on in the House that resulted in the trust being deprived of its protection, an attempt was made to call off John DeWitt Warner, the leader of the opposition to the trusts, and he was given to understand that certain men of great prominence in the Democratic party wished that the sugar schedule should contain some protection to the trust, owing to the aid given by the trust during the Presidential campaign.

Now, I will ask you if any attempt was made during the consideration of that sugar schedule to "call you off," to use the language of this article?

Mr. WARNER. I have already explained that there was no incident to which that statement as a whole could truthfully apply.

Senator ALLEN. This article was not by authority?

Mr. WARNER. It was not.

Senator ALLEN. It is a deduction of some correspondent or some other person?

Mr. WARNER. Exactly. I do not know where he got his information. To a certain extent he may have inferred it from what he heard me say before, or he may have heard it from members of the House with whom I talked in confidence.

Senator ALLEN. Were you given to understand that any men of prominence in the Democratic party wished that the sugar schedule should contain some protection to the trust?

Mr. WARNER. I do not think the trust was mentioned in that connection. I believe that I have already stated, and it is the fact, that some of the suggestions, inquiries, and intimations did intimate or raise a query, and I do not know that either would be too strong, that

prominent men in the Democratic party did wish the duty left, and were startled and annoyed at the course I was taking.

Senator ALLEN. Was the reason assigned for that that the sugar trust had contributed money during the Presidential campaign to the Democratic party?

Mr. WARNER. I do not recall that the two things were put directly together.

Senator ALLEN. Who were these prominent men, as you now recall them?

Mr. WARNER. I decline to state, and I wish to add one thing to my previous answer: If the cases that I now recall, and I think they cover all the important ones, I say it broadly, that I did not believe it, and that those gentlemen knew perfectly well how to reach me and knew that I would have every consideration for them, and until they did suggest something I should not believe it, and in the more prominent cases, indeed, I think I can say in all of them, except some of them may have been so casual that they passed off, without that I was assured by the party that he did not know any such thing, but that he heard so and inferred so and thought it was proper to tell me so.

Senator ALLEN. Who were the great men, the certain men of great prominence in the Democratic party who wished that the sugar schedule should contain some protection to the trust?

Mr. WARNER. I do not know of anyone.

Senator ALLEN. Whose name was suggested to you?

Mr. WARNER. I decline to state.

Senator ALLEN. And for what reason?

Mr. WARNER. There was no case in which my informant professed to know any such thing. In every case in which the question was raised my informant said he did not know it and did not care to drag into this matter the name of any man, prominent or otherwise, under such conditions.

Senator ALLEN. Did your informant give you names?

Mr. WARNER. Names were mentioned.

Senator ALLEN. More than one name?

Mr. WARNER. Yes.

Senator ALLEN. And how many names were given to you?

Mr. WARNER. I decline to state.

Senator LODGE. Were the names of Senators among these?

Mr. WARNER. Not at that time.

Senator LODGE. At any time?

Mr. WARNER. Senator Lodge, if I should state no, it would be an evasion. If I should state yes, I should have to depend just as I have in the description I have given you of this other matter, upon what were inferences from friendly conversations.

The CHAIRMAN. Was there anything in these communications in the line about which Senator Allen was asking, and about which you have just been speaking, in which the names of prominent Democratic officials were mentioned, that purported to be direct information that they wished the sugar schedule should contain some protection to the trust?

Mr. WARNER. It was disavowed every time.

The CHAIRMAN. That they wished sugar to be protected on account of contributions from the sugar interest to the Democratic party?

Mr. WARNER. No, sir.

The CHAIRMAN. Did any of those persons who so talked with you and mentioned those names profess to have any such information?

Mr. WARNER. No, sir. In fact, they disavowed it pretty promptly

in every case where I recall the conversation was important enough for me to stop, and, as you may say, argue or dispute the question.

The CHAIRMAN. Was it anything more than the reports that have been going around the Capitol and through the columns of the press in the last two months in that regard?

Mr. WARNER. I should put it at a little more than that. I do not mean to say there was not anything more told than in the reports. What I mean to say is, I still think a member would have seriously reminded me of reports which were occurring in regard to matters as to which my own interest would take knowledge.

The CHAIRMAN. Did they profess to have any more knowledge for their statement than was back of their reports?

Mr. WARNER. Very promptly upon my stating that I did not believe it, I think they said in each case that they did not know it, and did not assume to have any authority.

Senator ALLEN. Are these men that were mentioned to you, whose names you refuse to disclose, officers of this Government?

Mr. WARNER. I decline to answer. I do not propose to tell men by process of inclusion any more than I do by exclusion.

Senator ALLEN. Where do they reside?

Mr. WARNER. I decline to answer that.

Senator ALLEN. This correspondent says, "I saw Mr. Warner at the Capitol to-day, but he declined to be interviewed at this time." That is, the 26th of the present month. Do those words enable you to identify the press correspondent? Do you recall having an interview with some reporter on that day at the Capitol?

Mr. WARNER. I do not mean to mislead the Senator. That is not a Sun report.

Senator ALLEN. It is a New York Herald report.

Mr. WARNER. Independently it would not occur to me that I could recall; but there are very few days in which, for one reason or another, I am not likely to see at least two representatives and sometimes more of the Herald. As regards certain matters, they are apt to ask what this schedule means, or whether such a figure is right, in regard to certain tariff matters. I have already stated that I do not pretend to disavow my impression in regard to that particular matter, and I do not wish my present answer to be considered as a modification of what I have stated at all. But as to whether I recall an interview, that especial interview with the Herald reporter on that day, I will say that it would be impossible for me to do so for the reason I have given.

Senator ALLEN. You realize, of course, that if you will give us the name of this member of Congress who communicated these facts, or these statements to you, that it might enable us to make this inquiry effectual and ascertain from him what he knows about the facts?

Mr. WARNER. I do not realize any such thing.

Senator ALLEN. You do not realize any such thing?

Mr. WARNER. No, sir.

Senator ALLEN. You do not realize that that is possible?

Mr. WARNER. No, sir.

The CHAIRMAN. Why not?

Mr. WARNER. The impression left upon my mind was that the gentleman knew no more about the matter than I did. He certainly gave me such an impression.

Senator ALLEN. If that be true, do you not think it would be advisable to give his name, so that we can ascertain from him what, as a matter of fact, he does know?

Mr. WARNER. *I do not.*

Senator ALLEN. And you decline to disclose his name, notwithstanding that fact might result in a failure to get proper evidence as to the use of money in the campaign?

Mr. WARNER. Notwithstanding the Senator professes to have such an impression, I have no such impression.

Senator ALLEN. Notwithstanding the disclosure of his name and his examination might lead us to some pertinent facts in this inquiry?

Mr. WARNER. I do not believe it would.

Senator ALLEN. I do not ask you whether you believe it would or not; but you decline to give his name, notwithstanding, possibly, by disclosing his name an examination of him by this committee might lead to the discovery of some facts pertinent to this inquiry?

Mr. WARNER. I think I now understand your question. If I believed that anything I could do or say would lead to this committee finding out the facts about the matters about which it is investigating, I would do anything short of perjury or murder to do it.

Senator ALLEN. What is there, then, in the nature of the communication he made to you that would induce you to say here that you will not give his name?

Mr. WARNER. I will state the reason I have in my mind. There may be others, in addition to my reason—the question of my own rights in the matter. If a Congressman is understood to consult with his fellows in a friendly way about matters of legislation and to receive friendly suggestions under the condition that whenever anybody wants to inquire in regard to anything which anybody else would think he would like to look into, and in that way that he shall attempt to recall and reveal everything that has thus been talked about, and the authors and every one who has said this, that, or the other thing would almost be certain of getting everything mixed up and bringing in the wrong man in a matter where no particular attempt is made to know matters, it would absolutely destroy all of that mutual confidence which is necessary for us in the orderly conduct of our business.

Senator ALLEN. Suppose this man had said to you that he knew as a matter of fact that money had been put into the campaign fund?

Mr. WARNER. If he had told me that I should have asked him about it.

Senator ALLEN. Or if he knew facts that would lead to the discovery of the truth with reference to that matter, would you regard such a communication from him to you as privileged?

Mr. WARNER. No, sir.

Senator ALLEN. You know this man, John E. Searles, do you?

Mr. WARNER. I have not seen him for about ten years.

Senator ALLEN. You know who he is and what he is?

Mr. WARNER. I did know a John E. Searles, who I think was the manager of the Havemeyer Refining Company in Wall street, New York City, back in 1885, when I had occasion to see a good deal of him.

Senator ALLEN. Have you seen that man here this winter?

Mr. WARNER. I have not.

Senator ALLEN. Do you know of his being here?

Mr. WARNER. In the sense of personal knowledge, I do not.

Senator ALLEN. You have heard from others?

Mr. WARNER. Yes, sir; I have heard say.

Senator ALLEN. Do you know what his particular business is?

Mr. WARNER. I have always understood that he was the treasurer and secretary of the American Sugar Refining Company.

Senator ALLEN. Is it not true that his business is to attend sessions of Congress and look after legislative interests?

Mr. WARNER. Not except what I have generally seen in the papers and perhaps one statement in the New York papers.

Senator LINDSAY. Do you know Thomas Dolan, of Philadelphia?

Mr. WARNER. I know him by sight. If I should see him I should know him.

Senator LINDSAY. Is he the president of the Manufacturers' Club?

Mr. WARNER. I presume he is the president of the Manufacturers' Club.

Senator LINDSAY. More or less of the manufacturers in the United States are interested in pending tariff legislation?

Mr. WARNER. I presume so.

Senator LINDSAY. How often have you seen Thomas Dolan this winter?

Mr. WARNER. I have not seen him at all.

Senator LINDSAY. Have you heard of his being here?

Mr. WARNER. Not of my own information. I think I have heard people speak of Tom Dolan being down here.

Senator LINDSAY. In the same way you have heard that Mr. Searles was here?

Mr. WARNER. Yes, sir; I think at a dinner I heard somebody say Tom Dolan was here.

Senator LINDSAY. Did Tom Dolan give the dinner?

Mr. WARNER. I do not know. It was simply a social matter.

Senator LINDSAY. So far as you know have not people interested in tarift matters been around the Capitol every week this winter?

Mr. WARNER. I had a leyee myself several weeks ago.

Senator LINDSAY. And may not these gentlemen be here for perfectly legitimate purposes?

Mr. WARNER. No doubt they are.

Senator ALLEN. Did you understand that this money which was contributed, if contributed at all, for campaign purposes, was contributed before the Presidential nomination or afterwards?

Mr. WARNER. It never occurred to me to think of it except as contributed afterwards. I think I can say that I never heard any suggestion of that kind.

Senator ALLEN. Did you ever hear of $10,000 given by the sugar trust to what was known as the anti-snapper movement in New York.

Mr. WARNER. I think there is something mentioned of that in the press reports, but that is all the authority I have for that.

Senator ALLEN. You have nothing to lead you to believe it was true or false?

Mr. WARNER. I know it to be false because I was interested in that movement myself, and had occasion to know from time to time numerous contributions, and I assure you that anything over $5,000 was noised around, but I never heard of any contribution anything like the size of $10,000.

Senator ALLEN. Was it ever suggested or intimated to you in any form that your course with reference to the sugar schedule might arouse the enmity of the sugar trust?

Mr. WARNER. Not except from personal friends and acquaintances, and so on, and that in a casual sort of a way, generally speaking.

Senator ALLEN. Were they persons who were familiar, or would be likely to be familiar with the methods of the sugar trust?

Mr. WARNER. Not particularly.

(At 12 o'clock m. the committee adjourned until Monday morning, June 4, 1894, at 10 o'clock a. m.)

WASHINGTON, D. C., *June 5, 1894.*

The committee met pursuant to adjournment.

Present: The chairman (Senator Gray), Senators Lindsay, Davis, Lodge, and Allen.

SWORN TESTIMONY OF WALTER GASTON.

The CHAIRMAN. What is your age?

Mr. GASTON. I am 44 years just past.

The CHAIRMAN. Where is your residence?

Mr. GASTON. Wilkesbarre, Pa.

The CHAIRMAN. What is your occupation?

Mr. GASTON. I am the general manager of the Hazard Manufacturing Company, and wire-rope manufacturer, not wire manufacturer, as stated in the newspaper.

The CHAIRMAN. In a letter published in the New York Mail and Express of date May 19, 1894, written by a certain John S. Shriver, there is the following:

Just here it may be well to give a little incident in the proceedings of the last few weeks in which the sugar trust has taken such a prominent part. The headquarters of the officials of the trust have been in a certain room of the Arlington Hotel. The night the celebrated demand was made on the Democratic Senators that the trust must be cared for or the Wilson bill would be killed there happened to be in the next room to the sugar-trust parlor a wire manufacturer from a place not far from New York. He had come to Washington to try to induce the Senate Finance Committee to change its schedule in which he was interested, and worn out with his vain attempts to secure an audience with the Democratic "triumvirate" in charge of the bill, he had retired to his room.

He had hardly sought his bed before the loud talking in the sugar-trust parlor attracted his attention. He tried to sleep, but slumber was impossible. The voices next door grew louder and more violent as the night proceeded. He distinctly distinguished the voices of several Democratic Senators whom he knew, and also those of the sugar-trust magnates. It was nearly morning when the conference broke up, and the wire manufacturer was at last allowed to fall asleep. He did not, however, remain in bed long after the sun was up, because what he had heard seemed to him too good news.

Bright and early he was down in the lobby of the hotel and telling his friends, among them a couple of Congressmen, that he knew the Wilson bill would never pass. He made no secret of how he got his information, and even told the names of the Senators who had been in the room next to him nearly all night. The wire manufacturer did not linger about Washington, but returned to his home fully satisfied that there was no use for his remaining any longer to see the Democratic Finance Committee.

Do you know whether you are the person referred to in that letter as a certain wire manufacturer?

Mr. GASTON. I am the man who occupied the room from the 6th to the 9th of March of that year, and also from the 8th to the 10th of May.

The CHAIRMAN. At the Arlington Hotel?

Mr. GASTON. At the Arlington Hotel; yes, sir.

The CHAIRMAN. When you occupied that room on either occasion, did anything like that occur?

Mr. GASTON. Let me make a statement first, and then ask me questions.

The CHAIRMAN. If you please.

Mr. GASTON. With the exception of the fact that I was in the room, that I overheard a conversation on sugar, that I told a Congressman next morning from what I heard that I did not believe the Wilson bill *would* pass, nor any other tariff, unless a better bill, it is absolutely

manufactured out of whole cloth—absolutely false from beginning to end?

The CHAIRMAN. With those exceptions, this paragraph is entirely false from beginning to end?

Mr. GASTON. It is entirely and absolutely false from beginning to end In telling this Congressman—we had confidential relations together for some time—I told him this in pure confidence, without giving him details. I told him that no Senators had been in the room. I mentioned nobody. I simply told him that from a sugar conversation the night before in an adjoining room, I did not believe the Wilson bill would pass, nor any tariff bill unless a much more favorable bill for the various industries of the country were framed. That I will admit.

The CHAIRMAN. When was it that you were in this room and overheard the conversation you have just alluded to?

Mr. GASTON. I came to Washington the night of the 6th of March. I was engaged in our own tariff matters in which I was interested, and some other schedules.

The CHAIRMAN. What schedule was that?

Mr. GASTON. My schedule is what is known as the wire schedule in the metal schedule. I was interested in some others, but indirectly. I had been spending most of my time in Washington since November last. I was up all that night of the 6th and worked hard the following day. I went into my room at 8 o'clock in the evening and wanted to sleep. The hotel was crowded at the time and I believe they gave me a room that had been occupied by Miss Terrill.

The CHAIRMAN. You mean Mr. Terrill?

Mr. GASTON. No, sir; Miss Terrill, a daughter of Mr. Terrill. Mr. Terrill was known as a member of the sugar trust, and had a suite of apartments, rooms 33, 34, and 35. As I say, I was so tired that I went to bed without striking a light, and fell asleep. I was awakened about 10 o'clock by a loud conversation in the next room. I was mad. I was about to ring the bell in order to have my room changed, when I heard sugar mentioned. I have known enough about tariff matters to believe that a sugar schedule was the basis of the defeat of the Wilson bill, or else the obtaining of a better bill. I knew the sugar interests. I knew the interests of Louisiana. I have friends connected with the sugar interests, planters, and I knew what could be done with Senator Hill, Senator Murphy, etc., in opposition to the income tax. I heard a general conversation on sugar, a running conversation. I learned that the sugar men were not satisfied with——

Senator DAVIS. Would it not be better to give the language as nearly as you can?

Mr. GASTON. I can not do that. In substance it was simply a general conversation in which I learned that the sugar men were dissatisfied with what the subcommittee had done, and understood that they did not accept this schedule——

Senator DAVIS. Were they expressing that dissatisfaction to anybody there?

Mr. GASTON. No, sir; between themselves absolutely. That being the case, knowing what I did, and not thinking, being a Democrat myself, that the Democrats would concede to the sugar men what they wanted, I felt perfectly satisfied from inference that the bill would have to be greatly changed before it would pass, and from the conversation which I overheard it seemed perfectly plain to me that that would be the case.

The CHAIRMAN. You have stated the impression you gathered from the conversation you heard. State as nearly as you can what that conversation was, what was said.

Mr. GASTON. Now, if I remember rightly, I think the conversation was that the subcommittee had offered 40 and an eighth. You know what that means—40 per cent ad valorem and an eighth.

The CHAIRMAN. An eighth differential?

Mr. GASTON. Yes, sir; an eighth differential, which they said was unsatisfactory, and had not been accepted, and would be unsatisfactory. That is simply the substance of what I heard.

Senator LODGE. Unsatisfactory to whom?

Mr. GASTON. I presume to themselves. They did not say.

Senator LODGE. Unsatisfactory to these parties in the room?

Mr. GASTON. Unsatisfactory to the parties in the room, whoever were talking.

The CHAIRMAN. Do you know who those parties were?

Mr. GASTON. I do not.

The CHAIRMAN. Did you recognize the voices of any of them?

Mr. GASTON. None.

The CHAIRMAN. How did you come to get the impression that they were men interested in the sugar industry?

Mr. GASTON. From the general course of conversation, from the knowledge that they displayed apparently of the business, from names that I heard mentioned, not addressed, but people spoken of, I understood clearly it was evidently a consultation of people interested in sugar.

Senator DAVIS. Let me ask you whether at that time you understood that that was one of Mr. Terrill's suite of rooms?

Mr. GASTON. Yes, sir.

Senator DAVIS. Was that one of the facts which you wish to add?

Mr. GASTON. Why I know it was?

Senator DAVIS. Yes.

Mr. GASTON. Yes; certainly. That corroborated the thing from the fact that it was in his rooms or one of his apartments there.

The CHAIRMAN. Is there anything else that you can remember of that conversation more specifically than you have stated?

Mr. GASTON. No, sir; it was just a running conversation.

The CHAIRMAN. How long did that conversation last, do you suppose?

Mr. GASTON. I looked at my watch when I was awakened, and it was about 10 o'clock. I suppose I must have been awake about an hour. It was a great effort to stay awake, because I was so very tired. I suppose I may have been awake some three-quarters of an hour. Let me say right here that I would not have listened to that conversation under ordinary circumstances, but my own individual interests were at stake. I was interested in tariff matters, and I felt that I was justified in learning what I could as a guide for the future. Now, if I had kept those things to myself, anything I may have heard in that conversation, I could have injured no one, while discussing them in public would of course have put me in an unpleasant position.

The CHAIRMAN. Did you get out of bed?

Mr. GASTON. No, sir; the newspapers said I got up and peeked through the keyhole.

Senator DAVIS. You did nothing of the kind?

Mr. GASTON. No, sir; I went to bed and went to sleep.

Senator DAVIS. Was that conversation audible?

Mr. GASTON. Very distinctly. There was a door opening into the room.

The CHAIRMAN. What kind of a door?

Mr. GASTON. A solid door, but it was so shrunken there was a rim of light around the door.

The CHAIRMAN. Your room was dark, was it not?

Mr. GASTON. Yes, sir.

Senator DAVIS. Was the transom open?

Mr. GASTON. No, sir.

The CHAIRMAN. Was it a folding door?

Mr. GASTON. No, sir; simply a single door.

The CHAIRMAN. And you say you recognized none of the voices?

Mr. GASTON. No, sir; I recognized none of the voices.

The CHAIRMAN. From the fact that you occupied a room that had been one of Mr. Terrill's suite and occupied by his daughter, and from the fact that they were discussing sugar from a standpoint that showed familiarity with it, you felt certain that they were men interested in the sugar schedule?

Mr. GASTON. Yes, sir.

Senator DAVIS. This statement that you recognized the voice of any Senator there is not true?

Mr. GASTON. It is false, absolutely.

Senator DAVIS. Did you on that occasion hear anybody addressed as a Senator?

Mr. GASTON. I do not think I did. I heard half the Senate spoken about in there.

Senator DAVIS. Did you hear anybody addressed as Senator so and so being there present taking part in that conversation?

Mr. GASTON. No, sir.

Senator DAVIS. Are you positive about that?

Mr. GASTON. I am positive about it.

Senator DAVIS. Was there anything in that conversation that led you to suppose there was any Senator there present?

Mr. GASTON. Only the fact that some of the people talking seemed to be rather familiar with what had been done in the subcommittee room that day.

Senator DAVIS. How many people evidenced the familiarity, in your judgment?

Mr. GASTON. That I can not say.

Senator DAVIS. Judging from the different voices, how many?

Mr. GASTON. I could not say.

Senator DAVIS. More than two?

Mr. GASTON. They seemed all to know something about it. I can not answer that.

The CHAIRMAN. How many do you think were in that room?

Mr. GASTON. I should judge—that is rather hard to answer. I should suppose, from the noise when they got to talking together, that there must have been 6 or 7 in there.

Senator DAVIS. Going back to the familiarity that seemed to be displayed, was that familiarity evidenced by any disclosure as to what had been done in committee meetings?

Mr. GASTON. None. Simply that the subcommittee had refused to do so and so. That is all that was said. But the familiarty with what the subcommittee had refused to do that day led me to suppose that

evidently the people who had been talking about it must have been those who had access to the subcommittee room.

Senator DAVIS. You never stated, I understood you to say, to any person, after you heard this talk, that you recognized the voices of Senators?

Mr. GASTON. No, sir. Of course I do not know the voice of any Senator. I had been asked if certain Senators were there, and if I recognized the voices of them, and I do know that I absolutely said no.

Senator DAVIS. Did it occur to you, or did you suppose at that time, from what you heard, that any Senators were in that room?

Mr. GASTON. At the time I thought there were, but there was absolutely nothing by which I would be willing to say there were.

Senator DAVIS. What made you think so?

Mr. GASTON. The familiarity with matters.

Senator DAVIS. In hearing what was said distinctly did you hear those matters with which such familiarity was evidenced recounted by those you heard?

Mr. GASTON. No, sir; just simply a general course of information of what they said this subcommittee had offered. If I remember, it was 40 per cent and a differential of an eighth.

Senator DAVIS. Did you hear all of the conversation, or was it going on when you went to sleep again?

Mr. GASTON. It must have been going on when I went to sleep. In act, I could not stay awake. The part that was important to me was that the sugar schedule had not been accepted.

Senator DAVIS. Did that conversation satisfy you that in the then condition of affairs as to the sugar schedule it was so unsatisfactory to the sugar interests that they had the power to and would defeat that bill or frame a better one unless their wishes were complied with?

Mr. GASTON. I will answer that in this way: That it was not satisfactory to them, as I learned from their conversation. That it would be the means of defeating the Wilson bill, or procuring a better bill, was simply my own inference from what I knew of the sugar situation.

Senator DAVIS. The whole history of the thing at that time?

Mr. GASTON. Yes, sir. I was in Washington most of the time last winter.

Senator DAVIS. Did you state the next morning to any person, whoever it was, that you were satisfied that the Wilson bill was beaten?

Mr. GASTON. No, sir. I was not satisfied.

Senator DAVIS. What did you say?

Mr. GASTON. I said I thought the Wilson bill would not pass.

Senator DAVIS. What reason did you give for that statement to the person with whom you were talking?

Mr. GASTON. Simply from what I heard in the sugar conversation in the adjoining room.

Senator DAVIS. Did you tell the person with whom you were talking of that conversation?

Mr. GASTON. I did.

Senator DAVIS. Did you give him the details?

Mr. GASTON. No, sir.

Senator DAVIS. Just simply the general facts?

Mr. GASTON. Just simply the general facts—no details at all. I would not listen to a conversation of that kind and give its details. What I mean by that is, I would not publish a thing of that kind.

Senator LODGE. You stated just now that it was not satisfactory to them. Whom do you mean by "them?"

Mr. GASTON. The people in the room.

Senator LODGE. It was not satisfactory to anybody in the room?

Mr. GASTON. No particular person, but generally, which I understood to be the sugar interest.

Senator LODGE. In the conversation in the room, did there appear to be some person or persons who were advocating the existing schedule and others opposing it?

Mr. GASTON. No; their minds all seemed to run one way. There was no controversy of that kind at all. They were all of one accord. The best of feeling was apparently existing.

Senator DAVIS. Allow me to ask a question right there.

Senator LODGE. Certainly.

Senator DAVIS. Was any plan of operations lined out in the conversation you heard as to what would be done in advocacy of bills in the sugar interest?

Mr. GASTON. None.

Senator LINDSAY. You understood from the conversation that the subcommittee had determined to report a bill giving 40 per cent ad valorem and one-eighth of 1 cent per pound?

Mr. GASTON. I did.

Senator LINDSAY. And that these people were dissatisfied with that?

Mr. GASTON. I did.

Senator LINDSAY. And that they were all dissatisfied with it?

Mr. GASTON. Absolutely, all of them. Every one of them. They were of one accord.

Senator LINDSAY. That fact, in connection with your knowledge of the situation, induced you to believe that the Wilson bill could not pass without material changes?

Mr. GASTON. That is a fact.

Senator LINDSAY. And that is what you told the gentleman downstairs?

Mr. GASTON. Precisely. Absolutely that is all.

Senator LINDSAY. Now, this newspaper statement that you were unable to sleep until just before daylight——

Mr. GASTON. I never slept sounder in my life. At 8 o'clock I had an appointment, and I slept so soundly that a gentleman came to my room at half past 9 and asked me why I had not kept my appointment.

Senator LINDSAY. This statement that you distinguished the voices of several Democratic Senators whom you knew?

Mr. GASTON. Is absolutely false.

Senator LINDSAY. And you distinctly recognized the voices of several sugar-trust magnates?

Mr. GASTON. I do not know their voices.

Senator LINDSAY. "He did not, however, remain in bed long after the sun was up, because what he had heard seemed to him too good news."

Mr. GASTON. I slept pretty soundly and I did not arouse until half past 9 o'clock.

Senator LINDSAY. "Bright and early he was down in the lobby of the hotel and telling his friends, among them a couple of Congressmen, that he knew the Wilson bill would never pass."

Mr. GASTON. I never spoke to but one Congressman, and I never would have told him had our relations not been confidential, and I was startled to think that fact should have been disclosed.

Senator LINDSAY. "He made no secret of how he got his information, and even told the names of the Senators who had been in the room next to him nearly all *night*."

Mr. GASTON. That is false in every particular.

Senator LODGE. You never mentioned a name to anyone?

Mr. GASTON. No, sir.

The CHAIRMAN. You did not know the names?

Mr. GASTON. No, sir; I did not know the names.

Senator LODGE. You recognized no voice there?

Mr. GASTON. None whatever. As far as hearing Senators' names mentioned, as I say, I probably heard ten of them mentioned, different Senators, but in no connection—only simply in a general running conversation—but in no connection with any schedule or programme or anything of the kind.

Senator LODGE. Why did you attach importance to the conversation?

Mr. GASTON. For the reason, as I stated, that the sugar men were dissatisfied. I did not think the Democratic committee would give them anything more than that; I was a little surprised that they had given them that, and knowing, as I say, that the sugar men, if so disposed, had it in their power to defeat the bill, unless they were perfectly satisfied. Those were my reasons. My conclusion was based upon my own inference and my own knowledge based on what I heard that night, and I must candidly tell you that I have not worried as much since. I must state since hearing that conversation that night that I felt confirmed in the position I had held for a long time.

Senator LINDSAY. So far as you know the Democratic committee has not given them any more than they discussed that night?

Mr. GASTON. Really, I do not know the schedule they have given them as a fact. I understood 40 and an eighth.

Senator LODGE. What date were you there?

Mr. GASTON. From the 6th to the 9th of March, and from the 8th to the 10th of May.

Senator LODGE. The schedule 40 and an eighth was the one proposed?

Mr. GASTON. I think they had rejected it.

Senator LODGE. And they were dissatisfied with the offer?

Mr. GASTON. Yes, sir; I understood that they offered them 40 and an eighth.

Senator LINDSAY. Who offered?

Mr. GASTON. The subcommittee, and it was not satisfactory.

The CHAIRMAN. It was not satisfactory to them?

Mr. GASTON. It was not satisfactory to them, and from what I gathered it would not be satisfactory to them. That is the fact precisely, as I understood it at the time. Now, if I remember rightly, it was about the 7th or the 8th that the subcommittee closed its work and the bill was reported, I think, in a very few days after that.

Senator LODGE. It was reported on the 20th of March.

Mr. GASTON. Now, let me say further in connection with this, as I stated to you before, had I not been called by the committee now, I should have asked for a hearing in the matter to put myself right.

The CHAIRMAN. Since Mr. Shriver's testimony this thing has come to you?

Mr. GASTON. What do you mean?

The CHAIRMAN. About the account Mr. Shriver gave.

Mr. GASTON. I did not see Mr. Shriver's account. It was a week ago last Friday that a person asked me, going from Wilkesbarre to Philadelphia, if I did not want to read the Philadelphia Press. I was perfectly dumfounded when I read this. I first went to the Philadelphia Press in Philadelphia, and then went over to the Mail and Express in New York. The Philadelphia Herald on Sunday said I would not

take $1,000 for my information. If I thought these reporters knew what I did know it would be a pretty cheap job to value at $1,000. The Herald said I had told tales out of school.

Senator DAVIS. Do you know Mr. Shriver?

Mr. GASTON. I met him last night for the first time.

Senator DAVIS. Did he call upon you?

Mr. GASTON. I had just registered at the Arlington when he came up and spoke to me; he and another man by the name of Walker.

Senator DAVIS. Was that the first communication you ever had with either Shriver or Walker?

Mr. GASTON. The first I ever had in my life.

Senator DAVIS. Written or verbal?

Mr. GASTON. The first, either written or verbal, in any shape or form.

Senator ALLEN. A few days before you occupied the room you say Miss Terrill occupied that room?

Mr. GASTON. Yes, sir.

Senator ALLEN. Have you any means of knowing who occupied the room adjoining you?

Mr. GASTON. It was Mr. Terrill's room. He had three rooms. I think he had his family here at one time.

Senator ALLEN. Is he the man who has been characterized in this article as Brice's Terrill?

Mr. GASTON. I do not know whether he is a stockbroker or what he is, but I think he is the Terrill who represented the sugar interest here in Washington.

Senator ALLEN. He is a broker in Wall street?

Mr. GASTON. That I do not know.

Senator ALLEN. You say you gathered from the voices that there were 5 or 6 persons in that room?

Mr. GASTON. Yes, sir; I should judge from the talk. Sometimes they would all talk at once.

Senator ALLEN. From what they said can you tell whether any of them were Senators?

Mr. GASTON. Only from the familiarity that some of them seemed to have about what had been done in the subcommittee room.

Senator ALLEN. Did they use any expressions like this, for instance, by which you could determine: This schedule is the best we can possibly do for you?

Mr. GASTON. Nothing of that kind.

Senator ALLEN. Was anything of that nature used?

Mr. GASTON. No, sir; simply that 40 per cent and one-eighth of 1 cent had been what was offered.

Senator ALLEN. Did these persons, whoever they were, who talked about urging the option on this schedule you have mentioned, talk in a way that implied to you that they were speaking with authority?

Mr. GASTON. None whatever.

Senator ALLEN. Repeat something that they said, if you can?

Mr. GASTON. That is pretty difficult to do.

Senator ALLEN. Give the substance of it.

Mr. GASTON. Simply that the subcommittee had offered them 40 per cent, and an eighth differential.

Senator ALLEN. They said the subcommittee had offered them that?

Mr. GASTON. Yes, sir.

Senator ALLEN. Who said that?

Mr. GASTON. I do not know.

Senator ALLEN. Whom did you understand to say that?

Mr. GASTON. Nobody in particular.

Senator ALLEN. You came to the conclusion that that was a meeting of some Senators and representatives of the sugar interests?

Mr. GASTON. I knew they were representatives, apparently from the conversation regarding the sugar interest, and I thought there were some Senators there from their familiarity with the schedule.

Senator ALLEN. There must have been something said upon the part of those who were urging the schedule that led you to believe that they were speaking as officers?

Mr. GASTON. No, sir; absolutely nothing. Every mind in that meeting was one way. Nobody was urging anything and nobody was opposing anything. They were all of one mind. It was not apparently as though certain people were in there opposing anything and another party asking it, but they were all of one mind; there was no opposition whatever; there was nothing demanded and nothing refused. It was just a plain, simple statement that it was offered by the subcommittee and was not satisfactory. Then, knowing that that was unsatisfactory and judging from what they said, would be unsatisfactory; knowing that the sugar schedule was the foundation of the defeat or a better bill, and from my own knowledge of the tariff from my being here in Washington last winter, my inference was——

Senator ALLEN. You do not seem to understand what I am driving at. Any man, listening to a miscellaneous conversation through a door, which conversation is loud enough to be heard——

Mr. GASTON. Yes, sir.

Senator ALLEN. Can tell that there is some person urging one thing and some person urging another, and that there is a division in sentiment?

Mr. GASTON. I have just stated that there was no division in sentiment. There was nobody urging and nobody opposing.

Senator ALLEN. Even if they were talking it over the impression coming to you would lead you to believe that some person is speaking with authority in regard to the matter. Something will be said. For instance, if he is a subcommittee man he will use an expression to the effect that that is the best schedule they can possibly formulate, and another man opposing the sugar interest would undertake to show that it was not just to him. Did anything of that kind occur?

Mr. GASTON. No, sir; nothing of that kind occurred; absolutely. No one asked anything and no one——

Senator ALLEN. There was nothing in the conversation whatever to make any impression upon your mind that a part and parcel of the persons there were Senators?

Mr. GASTON. Only the familiarity with the schedules; that is all.

Senator ALLEN. And you did conclude from their familiarity with the schedules that one or more of the persons in that room were Senators, did you?

Mr. GASTON. I will not say that; no, sir. I will not answer in that way. I will answer that by saying this, that it occurred to me there must be some Senators present there from the familiarity with what was done in the subcommittee room that day. That was absolutely all. Now whether there were one, two, three, or four, I am not prepared to say.

Senator ALLEN. From the familiarity with what had been done in the subcommittee room that day, and the familiarity with which they discussed the sugar schedule?

Mr. GASTON. No; I will not say that. From the familiarity with what had been done, not from any familiarity with the sugar schedule

at all, because those people who were talking seemed to know the least actually about sugar.

Senator ALLEN. You came to the conclusion that that was a meeting of the sugar-trust interests upon the one hand and those who were speaking for the tariff upon the other?

Mr. GASTON. No, sir.

Senator ALLEN. You reached no conclusion of that kind?

Mr. GASTON. Nothing of the kind at all.

Senator ALLEN. What was there that attracted your attention in listening?

Mr. GASTON. The fact that sugar was spoken about, and my knowledge of sugar was what attracted my attention.

Senator ALLEN. Did not sugar form the entire conversation or discussion?

Mr. GASTON. No, sir.

Senator ALLEN. What else was discussed there?

Mr. GASTON. Social talk; small talk, you might say.

Senator ALLEN. The general drift of the conversation was upon the sugar schedule?

Mr. GASTON. Anything that related to public matters.

Senator ALLEN. Did you reach any conclusion in your own mind as to who those persons were in there?

Mr. GASTON. I did not.

Senator ALLEN. And you did not have any impression then and do not now have any impression of who they are?

Mr. GASTON. No, sir.

Senator ALLEN. And never expressed to any person or persons who they were?

Mr. GASTON. No, sir.

Senator ALLEN. Never gave any names?

Mr. GASTON. As being in that meeting? No, sir.

Senator ALLEN. The next morning after you got up and went down stairs to the hotel office, did you ascertain the number of the room?

Mr. GASTON. I knew it.

Senator ALLEN. What was the number of the room?

Mr. GASTON. No. 34. I had 33, at the end of the hall. Thirty-four was the corner room. They were a suite of rooms occupied by Mr. Terrill. Thirty-three was at the end of the hall and 34 was the corner. There were three rooms and then came the elevator.

Senator ALLEN. You know the room definitely?

Mr. GASTON. Yes, sir.

Senator ALLEN. That was on what day?

Mr. GASTON. The 7th of March.

Senator ALLEN. That was in the Arlington Hotel?

Mr. GASTON. That was in the Arlington Hotel.

Senator ALLEN. The next morning when you went down did you ascertain what persons had been in that room that night?

Mr. GASTON. I did not.

Senator ALLEN. Do you know of any Senators who boarded in that hotel at that time?

Mr. GASTON. The only one whom I know boarded in that hotel was, I think, Senator Platt, a very tall, slim man.

Senator LINDSAY. Do you think you recognized Senator Platt's voice in that room?

Mr. GASTON. No, sir; I don't know his voice.

Senator ALLEN. Did you before going to bed see Mr. Terrill in the office there?

Mr. GASTON. No, sir; I would not know him if I saw him.

Senator ALLEN. Or at the hotel?

Mr. GASTON. No, sir.

Senator ALLEN. Did you know he was in the city?

Mr. GASTON. Yes, sir.

Senator ALLEN. Did you know that H. O. Havemeyer was in the city at that time?

Mr. GASTON. Yes, sir.

Senator ALLEN. Had you seen him?

Mr. GASTON. No, sir.

Senator ALLEN. You had known from some other person he was here?

Mr. GASTON. Yes, sir.

Senator ALLEN. Did you know at what hotel he was stopping?

Mr. GASTON. No, sir.

Senator ALLEN. Did you ascertain afterwards?

Mr. GASTON. No, sir; I did not ask the question.

Senator ALLEN. So you have no means of knowing, and acquired no means of knowing the next morning, who any of these persons were?

Mr. GASTON. No, sir.

Senator ALLEN. What is your occupation?

Mr. GASTON. I am a wire-rope manufacturer and general manager of the Hazard Manufacturing Company, Wilkesbarre, Pa.

Senator ALLEN. You have no interest, of course, in sugar matters yourself?

Mr. GASTON. No, sir; absolutely none.

Senator ALLEN. And did not at that time?

Mr. GASTON. Whatever interest I may have had was outside, but I had no pecuniary interest in any stock or anything of that kind. I have been accused of making some money in Wall street out of sugar stock, but I have no interest in the sugar trust—absolutely none.

Senator ALLEN. Did you meet with any person or persons the next day or any time afterward who told you who the persons were in that room?

Mr. GASTON. No, sir.

Senator DAVIS. You started to say awhile ago why you knew Mr. Terrill was in that room?

Mr. GASTON. Some gentleman came in whom I did not recognize, and he said, "Mr. Terrill, good evening; I just came in to pay my respects to you." Mr. Terrill replied, "I am very glad to see you."

Senator ALLEN. Did he call any name?

Mr. GASTON. No, sir.

Senator ALLEN. This person was not in there when you came to bed?

Mr. GASTON. No, sir; he came in and said, "Mr. Terrill, good evening; I have just come in to pay my respects." Mr. Terrill said, "I am very glad to see you."

Senator ALLEN. Did you hear these gentlemen when they came to Mr. Terrill's room and rapped?

Mr. GASTON. No, sir; I did not.

Senator ALLEN. They were all in the room, engaged in conversation?

Mr. GASTON. That was what awakened me.

Senator ALLEN. The conversation was being carried on when you awoke?

Mr. GASTON. Yes, sir; that is it.

Senator LINDSAY. The man who paid his respects to Mr. Perrill, did he discuss sugar?

Mr. GASTON. No, sir; he simply said, "I have come to pay my respects to you," and I went to sleep almost instantly.

Senator LODGE. I want to understand exactly your statement. You say you had the impression that there were Senators there from the knowledge which was displayed of the action of the subcommittee of the Finance Committee of the Senate?

Mr. GASTON. Yes, sir.

Senator DAVIS. Action taken that day?

Mr. GASTON. No, sir; they simply said the subcommittee offered us to-day 40 and an eighth, which we refused. My idea of that, gathered from their familiarity, was that only Senators could have had access to the subcommittee room in that way.

Senator DAVIS. The disclosure that was made that gave rise to your supposition was of the events that had taken place in the subcommittee that very day?

Mr. GASTON. Yes, sir. They said, "They offered us to-day 40 and an eighth."

Senator ALLEN. They talked like persons who were familiar with the action of the subcommittee and who were in communication with them?

Mr. GASTON. Yes, sir.

The CHAIRMAN. Is that the only reason why you made that inference?

Mr. GASTON. Yes, sir; and from my own reason that I was familiar with tariff matters.

The CHAIRMAN. I say the only ground upon which you raised a conjecture that a Senator might be present was that there seemed to be some one there who appeared to be familiar with what the subcommittee had done that day?

Mr. GASTON. Yes, sir.

Senator DAVIS. You stated a few moments ago that one of the grounds of your supposition was the familiarity with the schedule?

Mr. GASTON. With the sugar schedule. That is what I mean. Their familiarity with what had been done that day. That means, what had been offered in that way by the subcommittee that day.

Senator DAVIS. Limited to that day, or familiarity theretofore?

Mr. GASTON. More particularly to that day.

Senator ALLEN. What did the sugar men say, as far as you could gather, about the sugar schedule, as to what they wanted?

Mr. GASTON. That I did not hear them say. But I heard arguments that the industry was entirely misunderstood. That its requirements, etc., were not appreciated, and there was argument made to show that they ought to have more of a duty than that; that they were not being treated fairly; and the argument, so far as I heard made, by whoever was talking, was apparently made by those who were perfectly familiar with the sugar industry.

Senator DAVIS. You say you heard argument? With whom were they arguing?

Mr. GASTON. Well, I will not say argument, but in the discussion of what the sugar interest ought to have, there seemed to be some who were very familiar with the sugar industry.

Senator DAVIS. Did that seem to come from one particular man?

Mr. GASTON. I think it did.

Senator DAVIS. Was he there replied to by anybody?

Mr. GASTON. Only in a general way.

Senator DAVIS. Was that reply an acquiescence in his views or a disputation?

Mr. GASTON. It seemed to be an acquiescence. In other words, I think he seemed to know more about sugar than the rest of them. In fact, I heard them compliment him about knowing more about sugar than they.

Senator DAVIS. What was the language of that compliment?

Mr. GASTON. Simply, if anybody was posted on sugar, he certainly was. He may have been a sugar refiner for all I know. He seemed to be familiar with the markets of the world and seemed to be, whoever he was, a very smart fellow, and from the way he understood his business, evidently he must have been a sugar refiner.

Senator ALLEN. He was addressing that to these persons who seemed to be familiar with what the subcommittee had done?

Mr. GASTON. Yes, sir.

The CHAIRMAN. He seemed to be a person who made the best statement of the matter as they understood it and as they were interested in it?

Mr. GASTON. Yes, sir; and you know after listening to him I said to myself, "That is a pretty bright fellow in there," and I began to be converted myself.

The CHAIRMAN. Did any of these persons say anything as to why they were not treated fairly, or why the sugar interest was not treated fairly?

Mr. GASTON. No, sir; only in the reduction of the tariff.

The CHAIRMAN. Did they indicate what kind of a tariff they wanted?

Mr. GASTON. No, sir.

The CHAIRMAN. Did they indicate how large the tariff should be before it would be of any benefit?

Mr. GASTON. No, sir.

The CHAIRMAN. Did they complain or say anything upon the subject of their having aided any political party before that, and therefore they ought to have received better treatment?

Mr. GASTON. No, sir; there were no politics in the matter.

The CHAIRMAN. Was there anything said in that conversation upon the part of any person you could hear of any contributions being made by the sugar trust to any political party or the representatives of any political party?

Mr. GASTON. No, sir; not at all.

The CHAIRMAN. There was nothing said from which you could infer that any political party was under obligations to the sugar trust?

Mr. GASTON. No, sir; absolutely nothing; there were no politics in it.

The CHAIRMAN. It was all sugar.

Mr. GASTON. Yes, sir.

Senator DAVIS. You were awakened about what time?

Mr. GASTON. I think I looked at my watch about 10 o'clock.

Senator DAVIS. You heard this going on about an hour and then went to sleep?

Mr. GASTON. Maybe so; maybe three-quarters of an hour.

Senator DAVIS. And then you went to sleep?

Mr. GASTON. Yes, sir; I did not know a thing until the next morning from the last I heard of the conversation.

Senator LODGE. From this casual conversation which you overheard accidentally you concluded that the tariff bill would be either beaten or very much changed?

Mr. GASTON. Yes, sir.

Senator LODGE. Why?

Mr. GASTON. The interests of one industry in tariff matters should be the interests of all, and I knew, or I thought I knew, that the sugar men could not get it all, and that it would have to be live and let live, as it is in all such matters. Therefore, if the sugar men were better taken care of, the other schedules would be better taken care of. That was my inference, and it was not an unnatural one.

Senator ALLEN. I understood you to say awhile ago that you knew the sugar trust had it in their power to defeat this bill if not satisfactory to them?

Mr. GASTON. Yes, sir.

Senator ALLEN. What do you mean by that?

Mr. GASTON. I mean this: There are two Senators from Louisiana, and in Louisiana there is a bounty of 2 cents on sugar. The sugar interest having certain Senators representing it, in the closeness of the vote in the Senate, of course there is not a very great margin, as you know. There is Senator Hill and Senator Murphy and Senator Smith in opposition to the income tax. Put those things together, and with the margin as small as you know it is in the Senate, at least as I presume it is——

Senator ALLEN. You think if the sugar schedule was not satisfactory to the sugar trust that the sugar trust would be able to control the action of the Senate to defeat the bill?

Mr. GASTON. I thought the Senators from Louisiana would be able to protect their own interests. The sugar interest is a great industry in Louisiana. The sugar-beet interest, you understand, comes from California, and their Senators have some interests to represent, and I did not see how an industry could give up a 2-cent bounty when they had it in their power——

Senator ALLEN. Suppose they had a beet interest in California and other States; do you think they would have sufficient influence with their Senators to require them to vote against this bill if it was contrary to their judgment?

Mr. GASTON. I do not want to say that, but should think they would consider it to their interest to protect the interests of their own State. The sugar interest of Louisiana is a very important interest.

Senator ALLEN. They have other interests there.

Mr. GASTON. Yes, sir; but take the sugar interest out of Louisiana and it would be a pretty sad State.

Senator ALLEN. You concluded that the Louisiana Senators, with such Senators as represented the sugar-beet States, together with the income-tax Senators who were hostile to the bill, would be sufficient to defeat it?

Mr. GASTON. Yes, sir.

Senator ALLEN. And you thought the sugar-trust interest would combine with them to defeat the bill?

Mr. GASTON. No, sir. I thought the sugar interest in Louisiana would be taken care of by their Senators, as was done by Senator White when in the Senate. If I was interested in the sugar interest in Louisiana, I would be too well satisfied with 2 cents bounty to give it up unless I got something equivalent for it.

Senator ALLEN. That is your own deduction?

Mr. GASTON. Yes, sir.

Senator ALLEN. Not as a fact?

Mr. GASTON. Oh, no; I do not want to state a thing of that kind as a fact.

Mr. GASTON. I am very glad of the opportunity to be heard here. Certain Senators have had their honesty impugned by what the newspapers have attributed to me as saying, and I am only too glad to come here and make a statement in their interest and to vindicate myself.

Senator ALLEN. You never used any language that is attributed to you about Senator Smith in that article?

Mr. GASTON. Oh, no, sir; absolutely nothing. I might say to you, Senator Allen, as you were not here awhile ago, that in this article——

Senator ALLEN. I am not going over the matter that you have already testified to.

Mr. GASTON. I was going to say that, as stated in this article, I did tell a Congressman—I admit that—but based simply on my own inference from what I had heard.

Whereupon, at 12 o'clock m., the committee adjourned until to-morrow, June 6, at 11 o'clock a. m.

WASHINGTON, D. C., *June 7, 1894.*

The committee met pursuant to adjournment.

Present: The chairman (Senator Gray), Senators Lindsay, Davis, Lodge, and Allen.

SWORN STATEMENT OF CORNELIUS A. CADMUS.

The CHAIRMAN. What is your full name?

Mr. CADMUS. Cornelius A. Cadmus.

The CHAIRMAN. You are a Representative in Congress?

Mr. CADMUS. I am.

The CHAIRMAN. From what State?

Mr. CADMUS. From the State of New Jersey.

The CHAIRMAN. What district?

Mr. CADMUS. The Fifth.

The CHAIRMAN. Do you know Mr. Gaston, who has testified here?

Mr. CADMUS. Yes, sir.

The CHAIRMAN. Where did you meet him?

Mr. CADMUS. At the Arlington Hotel a number of times during the winter.

The CHAIRMAN. Were you living at the Arlington Hotel?

Mr. CADMUS. Yes, sir.

The CHAIRMAN. Did Mr. Gaston at any time this spring, if so, when, or about when, if you can recollect, say anything to you about a conversation that he overheard in the room adjoining the one he occupied?

Mr. CADMUS. Yes, sir. The fore part of March, I think the 6th or 7th, I only know by seeing the date afterwards—but one morning he came to me and placed his hand on my shoulder and said, "Cadmus, I do not believe the tariff bill is ever going to pass." I said, "What makes you think so?" He said, "I was in my room last night and there were a number of sugar men, and I think some Senators among them, in the adjoining room, and from what I heard I do not believe the tariff bill is ever going to pass."

The CHAIRMAN. What, if anything else, did he say at that time?

Mr. CADMUS. Nothing that I remember, except that.

The CHAIRMAN. Is that about the extent of what he said to you?

Mr. CADMUS. Yes, sir; it was over three months ago.

The CHAIRMAN. Did he mention any of the names of the persons who were present in that conversation?

Mr. CADMUS. I do not remember about that; he may have mentioned some names, but I do not recollect now.

The CHAIRMAN. Have you, since that time, recollected any names that he told you?

Mr. CADMUS. No, sir; I want to say positively that if I did remember any names I should not give them to the committee; but I do not remember any names.

The CHAIRMAN. When you say you do not remember them, do you mean that you heard them and have forgotten them?

Mr. CADMUS. I do not think there were any names mentioned. It has been so long ago that I never thought of the matter until this thing came up some time ago. It had been dismissed from my mind entirely.

The CHAIRMAN. Did you know Mr. Gaston's business in Washington?

Mr. CADMUS. He was here trying to get some wire schedule fixed up by the committee.

The CHAIRMAN. Did he talk to you about it?

Mr. CADMUS. Yes, sir; at different times.

The CHAIRMAN. Do you know Mr. Shriver, the correspondent of the New York Mail and Express?

Mr. CADMUS. Yes, sir.

The CHAIRMAN. Did you ever repeat this conversation just spoken of by Gaston to him?

Mr. CADMUS. Yes, sir; over two months afterwards.

The CHAIRMAN. State when and where and under what circumstances, and what you said to him.

Mr. CADMUS. One day at the table, at breakfast or dinner——

The CHAIRMAN. At the Arlington Hotel?

Mr. CADMUS. At the Arlington Hotel. He sat at the same table with me, and asked me if I had heard the story in the Express. I said no, and asked him what it was.

The CHAIRMAN. What did he tell you?

Mr. CADMUS. I do not remember the whole story, but about the meeting and one thing and another, and this story of Gaston came to me right away, and I said, "I'll bet I know what that was," and then mentioned the same story to him I have told here.

The CHAIRMAN. Did you mention anything else than you have told us here?

Mr. CADMUS. No, sir.

The CHAIRMAN. Did you give him any names?

Mr. CADMUS. Not that I remember.

The CHAIRMAN. What is your impression? Do you believe you gave him any names?

Mr. CADMUS. I do not think I did.

The CHAIRMAN. Have you any recollection of having given him any names?

Mr. CADMUS. No, sir; I do not think I did.

The CHAIRMAN. You say you do not remember that Gaston gave you any names?

Mr. CADMUS. No, sir; I do not remember that he did.

The CHAIRMAN. And that you never did recollect that he gave you any names?

Mr. CADMUS. I do not recollect anything about his giving me any names.

The CHAIRMAN. What do you say about your giving any names to Mr. Shriver?

Mr. CADMUS. I say I do not remember giving him any names.

The CHAIRMAN. Could you have given him any names if Gaston had not given you any?

Mr. CADMUS. No, sir.

The CHAIRMAN. Did you ever make any inquiry, after Mr. Gaston told you this story, in order to verify it?

Mr. CADMUS. No, sir.

The CHAIRMAN. Did you ever make any investigation as to who were in the rooms and who occupied them?

Mr. CADMUS. No, sir.

Senator LODGE. Did you ever know Mr. Gaston before meeting him at the hotel in this way?

Mr. CADMUS. No, sir. Well, I can not tell you whether I met him there or here at the Capitol first; but I never saw him before I met him here this winter.

Senator LODGE. Were your relations with him confidential?

Mr. CADMUS. No more than he knew I had voted against the Wilson bill, and he knew I represented a very large manufacturing district, and he knew I was working very hard to get some changes in schedules for different manufacturing interests in my place, and after we were introduced he would come to me and talk at different times about the tariff bill. He told me of different things he heard about tariff matters, and I used to tell him sometimes. That was the only relation between us.

Senator LODGE. Did you make this statement to Mr. Shriver for publication?

Mr. CADMUS. I do not remember that I did. He told me that I said he could publish it, but I do not think I did. I did not pay any attention to it.

Senator LODGE. Did you ask him to consider it as confidential?

Mr. CADMUS. No, sir; I do not think I did.

The CHAIRMAN. Did he ever come to you and ask for permission to give your name?

Mr. CADMUS. No, sir; I do not think he did. He may have asked me some time and I told him I would rather not be mixed up in it.

The CHAIRMAN. Did he ask you?

Mr. CADMUS. I think he did ask me.

The CHAIRMAN. When was that—lately?

Mr. CADMUS. Before he went before the committee.

The CHAIRMAN. He did ask you if he might give your name?

Mr. CADMUS. Yes, sir.

The CHAIRMAN. What did you tell him?

Mr. CADMUS. I told him I would rather he would not give it; that I did not want to be mixed up in this matter.

The CHAIRMAN. Did you impose any confidence on him at the time you gave him the story?

Mr. CADMUS. No, sir; I think not.

The CHAIRMAN. Can you be sure whether you did or did not?

Mr. CADMUS. I am sure I did not.

The CHAIRMAN. Did you say anything to him about the publication?

Mr. CADMUS. I do not remember that I did at all. He said I told him. He said he asked me whether he could publish it and I said yes. I do not remember whether I did or not.

The CHAIRMAN. You may have done it and may not have done it?

Mr. CADMUS. I may have done so; yes, sir.

The CHAIRMAN. Who else was present at the table?

Mr. CADMUS. I think Mr. Walker was. I did not know Mr. Gaston's name the morning he told me this story. I did not know what town he was from in Pennsylvania. I knew he was a wire manufacturer of Pennsylvania.

The CHAIRMAN. Do you mean you did not know his name or could not think of it?

Mr. CADMUS. I knew his name, but could not think of it.

Senator LINDSAY. In regard to the conversation at that time, was that conversation with Shriver and Walker a mere casual conversation, or one given out in confidence?

Mr. CADMUS. No, sir; only a mere casual conversation.

The CHAIRMAN. And you say that the conversation was introduced by Shriver, speaking of a report of some character that was in the newspapers?

Mr. CADMUS. Yes, sir.

The CHAIRMAN. And that led you to make the remark you did?

Mr. CADMUS. Yes, sir.

WASHINGTON, D. C., *June 8, 1894.*

The committee met pursuant to adjournment.

Present: The Chairman (Senator Gray), Senators Lindsay, Davis, Lodge, and Allen.

SWORN TESTIMONY OF HERBERT L. TERRELL.

The CHAIRMAN. What is your full name?

Mr. TERRELL. Herbert L. Terrell.

The CHAIRMAN. What is your age?

Mr. TERRELL. I am 51 years of age, I think.

The CHAIRMAN. What is your occupation?

Mr. TERRELL. I have been a lawyer. I am at present an officer of several business corporations.

The CHAIRMAN. What is your residence?

Mr. TERRELL. New York City.

The CHAIRMAN. What corporations are you an officer of?

Mr. TERRELL. I am the president of the Manahattan Spirit Company and the Wheeler Rail-joint Company; treasurer of the Chihuahua Mining Company. I think that comprises about all.

The CHAIRMAN. In the Mail and Express of May 19, 1894, there was published a letter written by a Mr. Shriver, from Washington, in which there appears the following:

Just here it may be well to give a little incident in the proceedings of the last few weeks in which the sugar trust has taken such a prominent part. The headquarters of the officials of the trust have been in a certain room in the Arlington Hotel.

The night the celebrated demand was made on the Democratic Senators that the trust must be cared for or the Wilson bill would be killed there happened to be in the next room to the sugar-trust parlor a wire manufacturer from a place not far from New York. He had come to Washington to try to induce the Senate Finance Committee to change its schedule in which he was interested, and, worn out with his vain attempts to secure an audience with the Democratic "triumvirate" in charge of the bill, he had retired to his room.

He had hardly sought his bed before the loud talking in the sugar-trust parlor attracted his attention. He tried to sleep, but slumber was impossible. The voices next door grew louder and more violent as the night proceeded. He distinctly distinguished the voices of several Democratic Senators whom he knew, and also those of the sugar-trust magnates. It was nearly morning when the conference broke up and the wire manufacturer was allowed at last to fall asleep. He did not, however, remain in bed long after the sun was up, because what he had heard seemed to him too good news.

Bright and early he was down in the lobby of the hotel and telling his friends, among them a couple of Congressmen, that he knew the Wilson bill would never pass. He made no secret of how he got his information, and even told the names of the Senators who had been in the room next to him nearly all night. The wire manufacturer did not linger about Washington, but returned to his home, fully satisfied that there was no use for his remaining any longer to see the Democratic Finance Committee.

And afterwards, it is in evidence that the room to which he referred, that is, the wire manufacturer, Mr. Gaston, was a room that had been one of a suite belonging to you that had been given up that day, and that this was early in March, and I think the number of the room he gave was number 34.

Mr. TERRELL. He claims that his room was number 33?

The CHAIRMAN. Yes; and he was there in that room and heard voices in the next room, which was one of your rooms. Now, do you recollect a meeting of that kind early in March in your room?

Mr. TERRELL. Not the slightest. I do not hesitate to say that there was never any such meeting as the newspaper man describes in his

article. I have not read carefully Mr. Gaston's testimony, so that I do not know what he may have said. But so far as that article is concerned it is absolutely false.

The CHAIRMAN. Do you mean to say there was no meeting in your room at that time, early in March, between the sugar-trust magnates, as he calls them, or sugar-trust officials and Senators?

Mr. TERRELL. I do deny it absolutely. Now of course it would be utterly impossible for me to locate the evening that this man is talking about.

Senator LINDSAY. There is his testimony there.

Mr. TERRELL. If he said it took place on a certain day it would be utterly impossible for me to say who might have been in my room that night, because it is a matter that I never charged my mind with. I can explain to the committee, I think——

The CHAIRMAN. Just one moment, please, and I will read to you what Mr. Gaston says. That same portion of the article I have just read to you was read to Mr. Gaston. He was asked what he had to say about it. He said:

I am the man who occupied the room from the 6th to the 9th of March of that year, and also from the 8th to the 10th of May.

The CHAIRMAN. At the Arlington Hotel?

Mr. GASTON. At the Arlington Hotel; yes, sir.

The CHAIRMAN. When you occupied that room on either occasion, did anything like that occur?

Mr. GASTON. Let me make a statement first, and then ask me questions.

The CHAIRMAN. If you please.

Mr. GASTON. With the exception of the fact that I was in the room, that I overheard a conversation on sugar, that I told a Congressman next morning from what I heard that I did not believe the Wilson bill would pass nor any other tariff unless a better bill, it is absolutely manufactured out of whole cloth, absolutely false from beginning to end.

The CHAIRMAN. With those exceptions, this paragraph is entirely false from beginning to end?

Mr. GASTON. It is entirely and absolutely false from beginning to end. In telling this Congressman—we had confidential relations together for some time—I told him this in pure confidence, without giving him details. I told him that no Senators had been in the room. I mention nobody; I simply told him that, from a sugar conversation the night before in an adjoining room, I did not believe the Wilson bill would pass nor any tariff bill unless a much more favorable bill for the various industries of the country were framed. That I will admit.

I will read further:

I was up all that night of the 6th and worked hard the following day. I went into my room at 8 o'clock in the evening and wanted to sleep. The hotel was crowded at the time and I believe they gave me a room that had been occupied by Miss Terrell.

The CHAIRMAN. You mean Mr. Terrell.

Mr. GASTON. No, sir; Miss Terrell, a daughter of Mr. Terrell. Mr. Terrell was known as a member of the sugar trust, and had a suite of apartments, rooms 34, 35, and 37. As I say, I was so tired that I went to bed without striking a light, and fell asleep. I was awakened about 10 o'clock by a loud conversation in the next room. I was mad. I was about to ring the bell in order to have my room changed, and heard sugar mentioned. I have known enough about tariff matters to believe that a sugar schedule was the basis of the defeat of the Wilson bill or else the obtaining of a better bill. I knew the sugar interests. I knew the interests of Louisiana——

and so on.

I learned that the sugar men were not satisfied with——

Senator DAVIS. Would it not be better to give the language as nearly as you can?

Mr. GASTON. I can not do that. In substance it was simply a general conversation in which I learned that the committee sugar men were dissatisfied with what the subcommittee had done, for they understood that they did not accept this schedule.

Senator DAVIS. Were they expressing that dissatisfaction to anybody there?

Mr. GASTON. No, sir; between themselves absolutely. That being the case, knowing what I did, not thinking of being a Democrat myself, and knowing some things, that the Democrats would concede to the sugar men what they wanted, I felt perfectly satisfied from inference that that bill would have to have a greater change before it could pass, and from the conversation which I overheard it seemed perfectly plain to me that that would be the case.

The CHAIRMAN. You have stated the impression you gathered from the conversation you heard. State as nearly as you can what that conversation was, and what was said.

Mr. GASTON. Now, if I remember rightly, I think the conversation was that the subcommittee had offered 40 and an eighth. You know what that means—40 per cent ad valorem and an eighth.

The CHAIRMAN. An eighth differential?

Mr. GASTON. Yes, sir; an eighth differential, which they said was unsatisfactory, and had not been accepted, and would be unsatisfactory. That is simply the substance of what I heard.

Senator LODGE. Unsatisfactory to whom?

Mr. GASTON. I presume to themselves.

Now, Mr. Terrell, after having read the article in the Mail and Express which refers to what Mr. Gaston said, and then Mr. Gaston's own account of it, fixing the date of his occupancy of the room and hearing a conversation somewhere about the 6th or 7th of March, he occupying the room from the 6th to the 9th of March, can you recall any meeting in that room to which he alludes?

Mr. TERRELL. I can not answer that in any other way except by telling the facts.

The CHAIRMAN. That is what we want.

Mr. TERRELL. You are fixing a definite day, and, of course, as I say, it is utterly impossible for me to say what conversation took place in my room on the 7th of March. I have nothing to fix it by. I never heard of Mr. Gaston until his name was published in the papers. There is nothing in the world that attracts my mind to the 7th of March or any other given evening. I would not be able to say that I occupied room 34 on the 7th of March. I got to the hotel this morning and asked the clerk to give me my whereabouts in the hotel at that time, and he gave me a paper which I can read to you. It is not necessary to read it, but it is a fact that I was in that room on the 7th of March. I occupied, it seems, rooms 35 and 34, only two rooms—there was a bathroom which I do not count—from March 2 to March 16. Mr. Gaston is entirely mistaken in stating that my daughter had room 33 and had given it up that day. Mrs. Terrell and my daughter came to the Arlington for the first time this year on the 14th of March and left on the 21st. They were here again, I think, the next week, at a dinner and dance given by Mrs. Brice. That is the first time they were here, so that Mr. Gaston was not occupying any room which had been occupied by my daughter.

The paper I have shows that my room was No. 34 during the time that Mr. Gaston was there. There were frequent conversations in my room in regard to sugar, no doubt. In fact, it happened possibly nearly every evening. Mr. Havemeyer was here at the time, and also Mr. Reed, of Boston, was here at the time, and none of us had our families here, and usually after dinner we met in somebody's room; in Mr. Havemeyer's sometimes, sometimes in Mr. Reed's room, and sometimes in my room.

The CHAIRMAN. Was it a parlor.

Mr. TERRELL. Yes, sir; I had a parlor and a bathroom. It is quite likely on the evening of the 7th of March those gentlemen were in my room, and if they were it is entirely probable that the subject of sugar was discussed. I have not the slightest means of recollecting

the conversation that might have occurred on the 7th of March. I can say, however, positively, that the conversation detailed in the newspapers never took place in any room anywhere where I was present.

Now the substance of what Mr. Gaston said he overhead might have been said in some room is undoubtedly true, except that I would say I can not recall, of course, the dates of different stages of the tariff bill since I have been in Washington. I would say almost positively that at the date he names the possibility of anybody having made any offer, so far as the refining interest was concerned, of 40 and an eighth was out of the question.

The CHAIRMAN. As I understand him, they had been offered by the committee 40 and an eighth, and that was unsatisfactory to them.

Mr. TERRELL. There was no such offer at all. I can remember distinctly it was said to me by somebody that the suggestion had been made by the Finance Committee to the Louisiana interest, or rather the question had been asked whether an ad valorem duty of 40 and an eighth would be acceptable to them, and they said "No." I can remember distinctly of Mr. Havemeyer saying time and again, at what place or at what particular time I can not say, that it was not satisfactory to the refining interest so far as he represented it.

The CHAIRMAN. Let me ask you another question, in order to endeavor in another way to identify the evening which Mr. Gaston speaks of. He says, among other things, that he judged it was a social meeting of gentlemen in that parlor, for he heard the popping of champagne corks. Do you recollect any evening about that time early in March when you had any entertainment there?

Mr. TERRELL. No, sir; I do not.

The CHAIRMAN. Or when you had champagne?

Mr. TERRELL There was one evening, two or three different evenings, that we had a bottle of Scotch whisky and apollinaris. I do not drink champagne myself, and I do not know that I ever saw Mr. Havemeyer drink any.

The CHAIRMAN. You had apollinaris there?

Mr. TERRELL. Yes, sir; we had Scotch whisky and apollinaris. Mr. Gaston may have heard that.

The CHAIRMAN. Who were the persons who were generally in your room during the first half, or during the whole of March, during the period of which Mr. Gaston is speaking, before and after?

Mr. TERRELL. I asked the clerk to give me the date that Mr. Havemeyer arrived at the hotel. It was exactly the same date as mine, March 2 being the time he arrived, and he left on March 16. He left the same day I did.

The CHAIRMAN. And arrived when?

Mr. TERRELL. The same day that I did, March 2. So that at that time Mr. Havemeyer was in the city stopping at the Arlington, and Mr. Reed was, probably.

The CHAIRMAN. Was Mr. Searles?

Mr. TERRELL. As to Mr. Searles I can not say whether he was in the city at that time or not. He did not stay at the Arlington. I think he stopped at the Shoreham.

The CHAIRMAN. Was Mr. Searles in the habit of coming over to Washington a few days at a time?

Mr. TERRELL. I have seen Mr. Searles in Washington probably—it would be a guess—I should say half a dozen times during the three months I was here off and on myself. I can only give my understand-

ing, if the committee want that. I can not swear positively. I think Mr. Searles was accustomed to coming here.

The CHAIRMAN. He was interested in sugar, was he not?

Mr. TERRELL. O, yes.

The CHAIRMAN. And that was a matter which was being considered by the committee, among other things?

Mr. TERRELL. Mr. Searles, I think, is the treasurer of the American Sugar Refining Company.

The CHAIRMAN. Let me ask you what relation you bear to the American Sugar Refining Company.

Mr. TERRELL. None in the world.

The CHAIRMAN. Are you a stockholder?

Mr. TERRELL. I am not; I have been at times. Sometimes I have bought stock and sometimes sold it. Sometimes I am long on it and sometimes short. I have not had an interest in it except in a speculative way.

The CHAIRMAN. You are not a stockholder?

Mr. TERRELL. No, sir; in no way, shape, manner, or form. I can tell the committee what little I had to do with it here.

The CHAIRMAN. You may tell it if you choose. You may state what your relation was to it.

Mr. TERRELL. I have no concealment on that subject. I had been in Washington, I suppose, at a rough guess, three weeks.

The CHAIRMAN. When?

Mr. TERRELL. From some time in January; I can not say now. If it is important, of course the hotel can give the exact date when I was here. I had been three weeks here, possibly four, when one morning in going from my house in New York (I was back there) up to the club I met Mr. H. O. Havemeyer on the sidewalk, and he stopped me and got into a conversation with me.

The CHAIRMAN. Had you known him previously to that?

Mr. TERRELL. Yes, sir. It came out that I had been in Washington, and he said of course that he was interested in tariff legislation upon the subject of sugar, and that he was in a great quandary what to do, and he said this bill—this legislation—was a serious menace to the American Sugar Refining Company, and he was its representative; that some people advised him that he should come to Washington and make a plain statement of the needs and the situation of the company—in other words, explain the question as he knew it. Some people said it would not do for him to show his head in Washington at all. There was a great prejudice against the company. Newspapers would make a howl if Mr. Havemeyer came, and he said he did not know what to do about it. I said to him, "Mr. Havemeyer, if I were in your place, and represented an interest of the magnitude of yours, I do not think any newspaper would keep me from going to Washington." I am perfectly free to say that I do not understand the subject of sugar, and unless the Senators of the United States know a great deal more about it than I do, they ought to be thankful to talk to somebody who does know something about it. I do not think the conversation lasted, perhaps, more than five minutes. He said, "Are you going back to Washington?" I said, "Yes." He said, "I wish you would look the situation over, and advise me whether I had better go to Washington," and he said, "If you think I had, I will come."

I came back to Washington, I do not know when, within a few days anyway, and sometime later when I was back in New York I went to see Mr. Havemeyer. Oh, by the way, I did see him again that day

I said, "I can not talk sugar, because I do not know anything about sugar." He said, "Come up to my house this afternoon at 5 o'clock and I will tell you what the sugar business is. Of course I can not educate you in an hour, but I can give you a superficial view."

I went up there at 5 o'clock. He had some samples of different grades of raw sugar and attempted to get into my head some comprehension of what sugar was, and of what the different systems of taxation upon sugar meant. I tried to comprehend him as best I could. I came back to Washington within a day or two. I found, as I had already known, as far as that is concerned, that the House bill had, I think, abolished the bounty, as far as its action could, and that the Louisiana people naturally were dissatisfied with that situation. I found there was talk—I was not able to say I found it was decided—there would be a tax on sugar as a revenue producer was decidedly or extremely probable. Of course the question at once arose as to what should be the nature or the form of taxation, whether it should be specific taxation or ad valorem.

The next time I went to New York I told Mr. Havemeyer the situation over here; that I thought it was certain that there would be no bounty, that the bounty would be withdrawn from Louisiana in the Senate, and that sugar was quite certain to be a subject of revenue taxation, and that if it was an important matter for him whether a specific duty was put upon sugar or an ad valorem duty, I would certainly advise him to come here, that if I were he no newspaper talk would keep me away. I think it was in pursuance of my advice that Mr. Havemeyer concluded to come here. He did come. After he got here I was here practically as I had been before. I was a friend of Mr. Havemeyer, enjoyed his confidence, and Mr. Reed was here.

The CHAIRMAN. Were you employed by Mr. Havemeyer?

Mr. TERRELL. At that time, no, sir.

The CHAIRMAN. Were you employed by him to come here to look after his interests before Congress, or the interests of the sugar refiners?

Mr. TERRELL. No, sir.

The CHAIRMAN. What was your motive for coming?

Mr. TERRELL. I was already here and had been here three or four weeks before I met him. In fact, it is my custom to be here a good portion of the time in winter. I have been here three or four years.

After Mr. Havemeyer came to me there were Mr. Havemeyer and myself—his family was not here nor was my family. Mr. Reed, of Boston, who was a sugar-refiner, an independent sugar-refiner, as I understand it, not connected with the American Sugar Refining Company, was also here. We had nothing to do, and we met, as I said before, pretty much every evening in Mr. Havemeyer's room, sometimes in Mr. Reed's room, and sometimes in my own room.

The CHAIRMAN. Was that a bedroom?

Mr. TERRELL. Which?

The CHAIRMAN. The rooms you met in, or parlors.

Mr. TERRELL. They were parlors. I had a parlor, Mr. Reed had a parlor, and Mr. Havemeyer had a parlor. That is about all I know of that. That is all the connection I had with that matter.

The CHAIRMAN. Was your family here from the 1st to the 16th of March?

Mr. TERRELL. No, sir; my family, I think this record shows, was on here the 14th of March and stayed here until the 21st.

The CHAIRMAN. Was any of Mr. Havemeyer's family with him?

Mr. TERRELL. No, sir.

The CHAIRMAN. Now, you say during that time you were in the habit of meeting in one or the other of the parlors of these gentlemen you have mentioned, or in your own?

Mr. TERRELL. Yes, sir; and from Mr. Gaston's testimony I have no doubt that the night of the 7th of March that he speaks of we were in my room and were talking about sugar.

The CHAIRMAN. Were any Senators in the habit of meeting with you, or did they meet with you?

Mr. TERRELL. No, sir; I may say that absolutely no Senators were in the habit of meeting with us. I can tell you all I know about Senators, so far as their meeting with me is concerned. I have known Senator Brice for fifteen or twenty years, I would say. I have been his intimate friend. Our families have been intimate for about fifteen years. Mr. Brice, whenever I am in Washington, not only this winter but previous winters, has been in the habit, if you can call it a habit, of dropping into the Arlington (I usually stop there) to see me, possibly once a week. I usually go up to his house two or three times a week, sometimes to dinner. Our families are as intimate as any two families can be, and as far as Senator Brice and I are concerned we have been as intimate as men could be for fifteen years. There is no subject I am afraid to talk to him about, and talk with him freely.

I suppose Senator Brice during the past winter has called on me at the Arlington Hotel, I know half a dozen times certainly, possibly more. I would say he has called on me less this winter than usual, because it has been his habit to go to New York on Friday night, I think, and stay there until Sunday night or Monday, so that he has been away from here a good portion of this winter, nearly half the time.

The CHAIRMAN. Have you business interests together?

Mr. TERRELL. None in the world. We have had in years past, but we have none in the world now. I have had no business interests with Senator Brice, well, I should say, for five years. I was formerly general counsel of the East Tennessee, Virginia and Georgia Railroad system. At that time Senator Brice was director, but I can not tell whether he was vice-president or not.

The CHAIRMAN. From this period that you arrived at the Arlington Hotel, March 2 to the 16th of March, how often do you suppose Senator Brice was in your parlor?

Mr. TERRELL. Once or twice, possibly.

The CHAIRMAN. Was he present there when Mr. Havemeyer or any of the gentlemen connected with the sugar-refining interests were present?

Mr. TERRELL. I can remember one occasion on which Mr. Brice came into my room when Mr. Havemeyer was there. I remember it distinctly, because they had some talk on sugar; but whether it was during this time or some of the other times when I was there, I do not know.

The CHAIRMAN. Is that the only time you recollect?

Mr. TERRELL. That is the only time I ever remember.

The CHAIRMAN. Do you recollect his being there after the 16th up to the present time? If so, when and how often?

Mr. TERRELL. Of course I can not give dates. He was there after the 16th of March.

The CHAIRMAN. In your room?

Mr. TERRELL. Yes, sir.

The CHAIRMAN. In the presence of Mr. Havemeyer?

Mr. TERRELL. No, sir; I have no recollection of his being there when Mr. Havemeyer was there.

The CHAIRMAN. Do you recollect of his being there with any other than Mr. Havemeyer, of the sugar refining interest?

Mr. TERRELL. I think Senator Brice has been in my room when Mr. Reed was in my room.

The CHAIRMAN. How often?

Mr. TERRELL. Possibly once or twice, but not by appointment any time; always by chance.

The CHAIRMAN. You spoke of once you recollect Senator Brice being in your room during the period between the 2d and the 16th, when Mr. Havemeyer was present?

Mr. TERRELL. I said I was not certain it was between the 2d and 16th; it may have been.

The CHAIRMAN. You recollect it because they had some talk on sugar?

Mr. TERRELL. Yes, sir.

The CHAIRMAN. Do you recollect what the talk was?

Mr. TERRELL. Only in a general way.

The CHAIRMAN. Please state it.

Mr. TERRELL. I can not tell exactly how it arose. Mr. Havemeyer was in my room. Mr. Brice came in, and it may have been that evening.

The CHAIRMAN. Anybody else connected with the sugar interest there?

Mr. TERRELL. I think there was nobody there. Mr. Brice came in and we chatted—about what, I do not know. Of course Mr. Havemeyer was full of sugar, naturally. Mr. Brice asked him what he had to say about sugar anyway. That was all Mr. Havemeyer wanted, of course. He was very glad to talk about sugar, and my impression is—I do not know whether his samples were in my bedroom or in his room. Anyway, he got them out and put them on the table, and he said, "Now, I am going to tell you something about sugar." Mr. Brice said, "All right, that is what I want to know." I can not tell you now what he said, because he went over pretty generally the sugar schedule. He had the low grade, and the high grade sugars running substantially from 2 cents a pound up to 4.

The CHAIRMAN. When you say the low grade and the high grade of sugars do you mean the process of manufacture?

Mr. TERRELL. The commercial part of the question, the prices, where it came from, the amount that came from each country, and all that sort of thing. He went into the question as he would to any man on the commercial aspects of the question. Then, of course, he got on to the subject of the question of specific and ad valorem duty, and he argued it as he always did argue it, and tried to show Mr. Brice why an ad valorem duty was the only rational basis of a duty upon raw sugar, and why a specific duty meant destruction to the business.

Now I can not give you all of that. I know some part of the argument, but I do not think the committee wants to hear it.

The CHAIRMAN. That was the substance of it.

Mr. TERRELL. That was the substance of it. It was a talk that could have been right here, or in the open Senate, or anywhere else on earth.

The CHAIRMAN. Was anything said about engaging Mr. Brice's interest as a Senator?

Mr. TERRELL. No. I recall now that there was one remark that Mr. Havemeyer made that rather started Mr. Brice's temper. He is a red-headed man and very quick sometimes. Mr. Havemeyer got worked up, as he does. He is a very positive man, an earnest man, and a very brusque man. He is a man who is liable to give offense when he does not intend it. Mr. Havemeyer talked as if he felt that if the sugar refining interests of this country had been scattered into separate concerns there would be no trouble about its getting what he called fair treatment or reasonable protection with other great interests of thie country, but, as he put it, there was such a great clamor against ths sugar trust that nobody dared stand up and fight what was really right in its behalf.

Senator Brice got a little hot about that. He took it to be an implication that he was one of the Senators to whom the remark applied, and Senator Brice said to Mr. Havemeyer: "I do not want to hear anything of that sort. There is no subject that I do not dare face and discuss or defend if I think it is right. Your special industry is not represented in my State, so that I am under no personal obligations to fight your battles; but as a Senator I am interested, of course, in knowing what are the real facts about your industry, and the fact that 80 per cent of it is controlled by a single company, and possibly 20 per cent by outside refiners, would make no difference to me. Whatever is right in respect to the sugar-refining industry will be right, whether you have it all or only a part of it, and if you apply your remark to me, I will not have it. I understand it is not a trust, but it is a corporation of large aggregate capital." That was the substance of the conversation.

The CHAIRMAN. Do you recall anything else that was noteworthy in that conversation?

Mr. TERRELL. Not a thing.

The CHAIRMAN. Do you repeat that there was nothing in that conversation that could not have happened in the open Senate or in the public streets?

Mr. TERRELL. Not a thing.

The CHAIRMAN. Do you recollect on any other occasion when Senator Brice was present to have heard a conversation between him and those interested in the sugar-refining interest?

Mr. TERRELL. Now, I can not say that I remember any conversation with Mr. Brice, where anybody else was present, on the subject of sugar. I have talked to Mr. Brice about it with perfect freedom.

The CHAIRMAN. Were you asked by the sugar-refining interest, or anybody connected with them, to use your influence with Senator Brice in the interest of sugar?

Mr. TERRELL. No, sir; I never said a word to Mr. Brice on the subject of sugar that the gentlemen here or the Senate of the United States would not have been at perfect liberty to hear.

The CHAIRMAN. Now, in the letter of Mr. Edwards in the Philadelphia Press there is this. I do not know whether it refers to the same occasion that Mr. Shriver refers to in the Mail and Express or not:

When the bill was before the subcommittee of the Finance Committee of the Senate some of the officers and managers of the sugar trust established themselves in Washington, being in New York part of the time and at Washington at frequent intervals. Upon one occasion there were gathered in a room in a Washington hotel Mr. Havemeyer, Senator Brice, Senator Smith of New Jersey, "Brice's Terrell," and one other man, whose name it may be worth while to withhold for the present. At that interview Mr. Havemeyer displayed a great deal of indignation. He rebuked Senator Brice for failing to secure such influence in the Senate as the sugar people

expected him to secure. He turned to Senator Smith and asked him bluntly, almost brusquely, what he was going to do to maintain the pledges of the party leaders to the sugar men and to secure a satisfactory schedule. Senator Smith replied that he did not see what he could then do, but, he said, there was always this consolation, that if they could not secure the schedule they wanted they could surely defeat the bill, leaving the present law operative.

Mr. TERRELL. No such thing ever transpired at any place where I was. I never heard any such conversation or anything like it.

The CHAIRMAN. Were you ever present in any room in a Washington hotel, or elsewhere in Washington, or any other place where Mr. Havemeyer, Senator Brice, and Senator Smith were with you?

Mr. TERRELL. I think on one occasion.

The CHAIRMAN. Where was that?

Mr. TERRELL. I can not tell when. After dinner one evening—first, Mr. Havemeyer came to my room. I can not say how long he had been there, very likely an hour. Senator Brice came in the same evening that I have already told you this conversation took place between Senator Brice and Mr. Havemeyer on the subject of sugar. Late in the evening—I can not tell what time—possibly 9 or half past 9 o'clock, Mr. Reed came in. Later, I can not say how much later, not a great while, there came a boy saying that Senator Smith was downstairs and wanted to see Senator Brice. Then Senator Brice told the boy to tell him to come up, that he was up there. Senator Smith came up, and my recollection is he said he had been over to the Senator's house.

Senator LINDSAY. That he had been over to Senator Brice's house?

Mr. TERRELL. He had been over to Senator Brice's house to see him, and not finding him at home, I think somebody told him he was over to see me. On his way back he dropped into the hotel and sent up to my room word that he was there and wanted to see Senator Brice, and Senator Brice asked him up. That is the only time Senator Smith, so far as I know——

The CHAIRMAN. He did come up?

Mr. TERRELL. He came up.

The CHAIRMAN. Did he know the gentlemen present when he came in, or was he introduced to them, do you recollect?

Mr. TERRELL. I would say that Senator Smith knew Mr. Havemeyer. I am in doubt whether he knew Mr. Reed.

The CHAIRMAN. Did you know him?

Mr. TERRELL. Senator Smith?

The CHAIRMAN. Yes.

Mr. TERRELL. Oh, yes; I had known Senator Smith for, I do not know how long, a year or more.

The CHAIRMAN. Before that?

Mr. TERRELL. Oh, yes.

The CHAIRMAN. Were you there all the time Senator Smith was there?

Mr. TERRELL. Yes, sir.

The CHAIRMAN. What occurred while he was there? Was sugar talked about.

Mr. TERRELL. I can not even say that; it may have been. I have no recollection of the conversation. There was nothing special in it to attract my attention or make any impression upon me.

The CHAIRMAN. Was there anything else talked about but sugar?

Mr. TERRELL. It was a running conversation. There were about 5 men there.

The CHAIRMAN. Did you have any apollinaris water and Scotch whisky that evening?

Mr. TERRELL. Oh, yes.

The CHAIRMAN. That other evening?

Mr. TERRELL. O, yes. Mr. Brice and I usually have some Scotch whisky and apollinaris in the evening, whether at my house or his house, or my room. Of course I can not say what was talked about, not because I am not willing to say, but because I do not recollect. There was nothing in the conversation.

The CHAIRMAN. Was Mr. Havemeyer in the midst of his explanation to Senator Brice about sugar when Senator Smith came up?

Mr. TERRELL. O, no. It had long passed off before Mr. Reed came up. That did not take up over fifteen minutes.

The CHAIRMAN. There were in that room that evening, sometime after 9 o'clock, Mr. Havemeyer, Mr. Reed, yourself, Senator Brice, and Senator Smith?

Mr. TERRELL. Yes, sir.

The CHAIRMAN. Who else?

Mr. TERRELL. That is all, I think.

The CHAIRMAN. How long were they there?

Mr. TERRELL. I can not tell that.

The CHAIRMAN. Can you fix when this evening was?

Mr. TERRELL. I can not. I have not the slightest idea.

The CHAIRMAN. You do not know whether it was along between the 2d and 16th of March or not?

Mr. TERRELL. I do not know that.

The CHAIRMAN. Or afterwards?

Mr. TERRELL. I do not know that. There was nothing in it that would attract my attention to the date, and there was nothing in the conversation——

The CHAIRMAN. Can you recall anything after Mr. Smith was present that was said by Mr. Havemeyer, or any other of the gentlemen connected with the sugar interest, about the tariff legislation or the schedules?

Mr. TERRELL. I can not.

The CHAIRMAN. Was anything said by Mr. Smith?

Mr. TERRELL. I have no recollection of any talk on the subject after Mr. Smith arrived. Of course there may have been. There was nothing in the conversation after Senator Smith got there. It was a running conversation and there was nothing in it of any special import that impressed itself on my mind so that I could say now what was talked about. Sugar may have been talked about. I can not say even that.

The CHAIRMAN. Do you recollect what day of the week it was?

Mr. TERRELL. I have not the slightest idea.

The CHAIRMAN. Now, can you recall any other occasion when you were present when either of the Senators named, or any other Senators, were with, or having conversation with, any of the gentleme connnected with the sugar-refining interest?

Mr. TERRELL. That question is broad enough to cover a conversation with Mr. Havemeyer when I was present, but I can not tell when that was.

The CHAIRMAN. About when, as nearly as you can get at it?

Mr TERRELL. I do not know.

The CHAIRMAN. This spring?

Mr. TERRELL. Oh, yes. It was either the month of March, February, or, say, April. I can not tell that; but Mr. Havemeyer said to me one morning after breakfast, that at somebody's request, I can not tell

now whose, he was going to meet Senator Jones at Senator Camden's room, which is directly across the way from the hotel. I can not give you now what he said, but my understanding of it was that Senator Jones wanted to ask him some questions on the subject of sugar—the sugar schedule. Mr. Havemeyer said to me in a casual way, "I want you to walk over." I said, "I don't see any reason why I should go over." He said, "You come along." So I walked over and I was present in Senator Camden's room, and I should suppose the interview lasted ten or fifteen minutes.

The CHAIRMAN. Tell all you recollect about it.

Mr. TERRELL. My impression is I went over there and Senator Jones was not there when we got there. We went in and Senator Camden was there, and possibly in a moment or two Senator Jones came in. I think he had a bundle of papers, and Senator Camden presented Mr. Havemeyer to Senator Jones. Senator Jones sat down at a table, and my impression is, took either, I would say, some of the papers he had in the roll with him under his arm; if not, he took a sheet of paper from Senator Camden's desk, and I can not recall now how the conversation between the two started. Mr. Havemeyer said to Senator Jones that he understood that it had been decided to tax sugar as a revenue producer; that he was very much interested in the question as to how it should be taxed, whether ad valorem tax or a specific tax; that, so far as he was concerned, he would much prefer there should be no tax at all. It was not to the interest of the refining industry of this country to have a tax upon raw sugar, but that he supposed that had been determined upon, and, if so, then he was very seriously interested in the question whether that tax should be an ad valorem tax or a specific tax.

Then Senator Jones asked him to state what difference in his opinion it made to the refining interest, which Mr. Havemeyer briefly did, and very briefly too, and Senator Jones said, "What about the discrimination, or differential, as you term it, in favor of the refiner?" Mr. Havemeyer said, "That is not a thing I am here to say much about. The chief thing I am interested in, if there is to be a tax on raw sugar, is to have it so that the markets of the world shall be open on equal terms with all competitors the world over, and that there shall be an ad valorem duty that will enable me to meet them on even terms. In other words, a specific tax on raw sugar necessarily discriminates against the lower grades of sugar and drives them out of the market, so that I could not bid for them at all." He said to Senator Jones that his chief interest was the question of the tax upon raws, as he called them. Of course, he said, so far as protection is concerned, that is a question for the Senate to decide. The refining industry of this country, in my judgment, can not get along with less than one quarter of a cent a pound, the amount fixed by the Ways and Means Committee of the House, and a quarter of a cent a pound is the least we could live under; but, he said, "I am not here to argue that question, but I want to get the raw sugar right." I remember that he repeated that two or three times.

Senator Jones asked him several questions, and he asked him one question from which I think Senator Jones was under the impression that Mr. Havemeyer was trying to evade a direct answer, and I could see that he was not. The question was, out of a given amount of raw sugar, how much of the higher grade of refined sugar it would make, how much of the second grade, and how much of the lower. I do not know whether they make three or four different grades of sugar in the process of running out of a given lot of raw.

Mr. Havemeyer answered that he could not tell, and I thought I could see by Senator Jones's countenance that he thought that Mr. Havemeyer did not want to tell, and they did not seem to me to get along very well after that, and Senator Jones only asked him one or two questions more. Finally he said it was Senate time and he could not devote any more time to him, and he picked up his papers and his hat and said, "good morning," and left.

Senator LODGE. Who were present at this meeting?

Mr. TERRELL. Senator Camden, Senator Jones, Mr. Havemeyer, and myself.

Senator LODGE. That was all?

Mr. TERRELL. That was all.

The CHAIRMAN. Is there anything else than what you have already stated that could furnish any foundation for what I have just read to you there [handing Mr. Terrell a printed paper]?

Mr. TERRELL. (After perusing same.) The whole of that paragraph is absolutely false. There was never anything of that kind occurred.

The CHAIRMAN. That is the paragraph I have already read in your hearing?

Mr. TERRELL. Yes, sir; the paragraph in which it is said there was a demand made upon Senator Brice——

The CHAIRMAN. The passage you refer to is the one in which he states that on one occasion there were gathered in a room in the Arlington Hotel Mr. Havemeyer, Mr. Brice, Mr. Terrell, Senator Smith, of New Jersey, and another man whose name it may be worth while to withhold for the present?

Mr. TERRELL. Yes, sir.

The CHAIRMAN. Do you know who that may be?

Mr. TERRELL. Mr. Reed.

The CHAIRMAN. Was Mr. Reed present on the occasion you spoke of?

Mr. TERRELL. Yes, sir. That was the only occasion that Senator Smith was in my room in the world. He did not come to see me then. It was the purest accident in the world. It looks to me as if there was some reporter sneaking about, and when he found out there were Senators in my room he went around and manufactured any story he pleased.

The CHAIRMAN. Further on in this same communication of Mr. Edwards to the Press, we find this:

We had, upon the Sunday before the bill as first reported was sent to the Senate, a striking illustration of the absolute domination of the sugar trust over the Democratic members of the Finance Committee. That was an all-day and half the night session and upon the Sabbath day. In one room were the Democratic members of the Finance Committee and also, in the wing of the Capitol, were the representatives of the sugar trust. There were Havemeyer and Terrell and Meyer, Ben Le Fevre, and others. These men sat as the rulers of a political convention sit, in a place apart and yet within instant communication of those who are to act. There were runnings back and forth between the Finance rooms and the quarters occupied by the trust all day. Everything had been arranged up to the point of satisfying the Louisiana Senators. Even the trust had realized that it was necessary for the Democratic party to placate these Louisiana men, or else there would surely be two votes against the bill. It was a question of compromise, each side giving a little and taking a little.

At one time it seemed as if the whole negotiation must go to pieces. Never was there more desperate battle between conflicting interests in the committee rooms of the Capitol. At last, late that evening, Senator Caffery drafted a schedule, Mr. Havemeyer looking over his shoulder, and the other members of the sugar trust watching the Senator with eyes that fairly glittered, so one Senator who saw that spectacle afterwards reported. It was the crucial moment. When Senator Caffery had finished, the sugar trust read his draft, reluctantly accepted it, it was taken to the room of the Finance Committee, and there accepted, the victory won, and the original draft is still in the possession of the committee in Caffery's handwriting and with the approving marks of the sugar trust upon it.

That article states that you were present in one room of the Capitol n Sunday evening with Mr. Havemeyer, Cord Meyer, Ben. LeFevre, nd others. What have you to say about that statement?

Mr. TERRELL. It is absolutely false. I never was in the Capitol uilding on Sunday in my life. I never was in such a meeting any day f the week in my life, and as far as I am concerned no such meeting ver transpired. If I can make it any stronger I am willing to.

The CHAIRMAN. Were you ever present in a room in the Capitol uilding with Mr. Havemeyer, Mr. Meyer, Mr. Le Fevre, and others?

Mr. TERRELL. Never in my life.

The CHAIRMAN. Do you recollect any occasion, whether Sunday or ny other day, nighttime or daytime, when you were present in the apitol in any room, and there was such a transaction going on between he Finance Committee room, or the Finance Committee, or the Demoratic members of it, and the sugar-trust people or sugar-refining eople?

Mr. TERRELL. Never in the world. I never heard of such a meeting.

The CHAIRMAN. Do you know Ben. Le Fevre?

Mr. TERRELL. I have known Mr. Ben Le Fevre for fifteen years.

The CHAIRMAN. He was an Ohio man?

Mr. TERRELL. Yes, sir; I know him well. I never spoke to him on e subject of sugar in my life.

The CHAIRMAN. Is that all you have to say about that statement?

Mr. TERRELL. Yes, sir. It is absolutely false, and there is no fountion for it at all.

The CHAIRMAN. Is there anything within your knowledge upon hich that statement could have been founded?

Mr. TERRELL. No, sir; I never heard of such a thing. I have been communication with other people named there, Mr. Havemeyer, for stance, and have enjoyed his confidence, and if anything like that er happened I would have known it. It is simply rot, and there is thing in it.

Senator LINDSAY. You spoke sometime since that you did not then present Mr. Havemeyer or the sugar refining interest. Have you er represented them since?

Mr. TERRELL. Yes, sir; I have represented them in a certain way. r. Havemeyer was here on that occasion, it seems, from the 2d to the th. Mr. Havemeyer said, "Here, I am too busy a man to stay here. have explained the needs of my business and my relations in regard this matter. Now while you are here, if you will watch after our terest, if anything comes up—I do not know that anything will—I ill be very glad to have you look after it." I said, "I will do so with e greatest of pleasure." From that time on, while I did not do anything, regarded myself authorized, if anything did come up, if I did not know ything about it myself, it would be my duty to communicate it to r. Havemeyer, and get anything he had to say upon the subject. It as a sort of representative work.

Senator LINDSAY. Did you regard yourself employed as an attorney?

Mr. TERRELL. I do not know about that. I have not been a lawyer r so long that I have not looked after anything like that. Well, yes; actically that.

Senator DAVIS. I infer that you are a member of the bar, but not in actice now?

Mr. TERRELL. I ceased practicing about eleven or twelve years ago.

Senaor DAVIS. Whatt has been your business the last twelve months?

Mr TERRELL. I have *already stated* tothe co mmittee, before you

came in, that I am president of the Manhattan Spirit Company and of the Wheeler Rail-joint Company, and treasurer of the Chihuahua Mining Company, and I can not now recall whether I am director of some other companies or not. But those are the only ones to which I give any special attention.

Senator DAVIS. Have you ever been attorney or counsel for the sugar trust or any of its members?

Mr. TERRELL. Never.

Senator DAVIS. How long have you known Mr. Havemeyer?

Mr. TERRELL. I can not tell.

Senator DAVIS. There are two Havemeyers.

Mr. TERRELL. One of them I do not know at all.

Senator DAVIS. Do you know Theodore Havemeyer?

Mr. TERRELL. No, sir; I do not. There is a young man whose name I do not recall.

Senator DAVIS. Have you met Mr. Cord Meyer?

Mr. TERRELL. I met him in Washington the first time in my life.

Senator DAVIS. When, this year?

Mr. TERRELL. Yes, sir; probably in the month of February or March.

Senator DAVIS. Do you know E. C. Benedict, of Brooklyn?

Mr. TERRELL. I met him for the first time in my life a few weeks ago.

Senator DAVIS. Where?

Mr. TERRELL. In the city of New York.

Senator DAVIS. Did you ever meet him here?

Mr. TERRELL. No, sir; never.

Senator DAVIS. When did you first come to Washington during the present session of Congress?

Mr. TERRELL. I should say before the middle of January. If it is important I can get the date.

Senator DAVIS. It is not important. How long did you remain?

Mr. TERRELL. Do you mean without going home at all?

Senator DAVIS. How long a period of time did you stay here, substantially?

Mr. TERRELL. I have been here substantially all the time since January.

Senator DAVIS. With the exception of the time you went to New York?

Mr. TERRELL. Yes, sir.

Senator DAVIS. And had your apartments engaged permanently at the Arlington?

Mr. TERRELL. I have kept my rooms there and have been there all the while.

Senator DAVIS. I understood you to say your family did not come with you until the 14th day of March?

Mr. TERRELL. My family came the 14th day of March and stayed until the 21st, I think.

Senator DAVIS. What rooms did you first engage at the Arlington when you first came here?

Mr. TERRELL. I can not tell, but they were not the rooms in question.

Senator DAVIS. A suite of rooms, parlor and bedroom?

Mr. TERRELL. Yes, sir; we have always had them. I never had anything else to my recollection the three years I have been stopping there.

Senator DAVIS. What brought you here; what was your business here in Washington?

Mr. TERRELL. It was not connected with sugar.

Senator DAVIS. It was not connected with sugar.

Mr. TERRELL. Not in the slightest degree.

Senator DAVIS. Was it on business connected with legislation?

Mr. TERRELL. Not except to know what legislation was going to be.

Senator DAVIS. On what subject?

Mr. TERRELL. Any subject.

Senator DAVIS. On what particular subject?

Mr. TERRELL. Of course I regard this as my own private business. I have not the slightest objection to telling you or any Senator here. I suppose whatever I say here will be published in the newspapers.

Senator DAVIS. Was your business here connected with any subject of tariff legislation?

Mr. TERRELL. Not in the procurement of any.

Senator DAVIS. In the prevention of any?

Mr. TERRELL. Nor in the prevention of any.

Senator DAVIS. How did your business concern tariff legislation?

Mr. TERRELL. I have already stated that I was interested in knowing what it was going to be, and no other interest in the world.

The CHAIRMAN. As a speculator?

Mr. TERRELL. I have not the slightest objection to telling you Senators my whole connection in Washington; but I do not think my private business ought to be published all over the country. I do not see any occasion for it. I will tell you everything frankly if the committee will meet me frankly, and they can put down in that record anything which they can see bears upon this question.

Senator DAVIS. Did you come to Washington on business with the intention of interesting yourself in procuring or preventing any tariff legislation upon any particular subject?

Mr. TERRELL. I did not.

Senator DAVIS. Your first coming to Washington in January had no relation to any intervention by you in this sugar question?

Mr. TERRELL. No, sir; none whatever. I had no interest in sugar in any way, shape, or manner.

Senator DAVIS. Have you been in the habit of coming to Washington every winter when tariff legislation was pending for the same general purpose that you have described?

Mr. TERRELL. Yes, sir.

Senator DAVIS. For how many years?

Mr. TERRELL. I would say—I can not tell that—but I would say certainly I have been coming to Washington for three winters, more or less.

Senator DAVIS. Were you here when the McKinley bill was progressing?

Mr. TERRELL. I do not think I was. When was the date of that?

Senator LINDSAY. The summer of 1890.

Mr. TERRELL. No, sir; I think not. All I could feel certain about in saying would be more or less time the last three winters, including this one, I have been in Washington, not always as much of the time as I have been this winter.

Senator DAVIS. Have you been here on any of these occasions prior to this winter as the representative of any interest?

Mr. TERRELL. Only once, and then only for a very short time.

Senator DAVIS. When was that?

Mr. TERRELL. I can not tell that unless I look it up. I can tell you

what it was. If you think it ought to go down on the record you can put it down.

Senator DAVIS. I ask you what interest you were here to represent?

Mr. TERRELL. Two or three winters ago I was a director in the distilling and cattle-feeding company, representing, the interest of very large stockholders who were friends of mine. The president of the company had an idea that it would increase the sales of the goods of that company if spirits for the arts should be relieved from revenue tax, and he suggested my coming over here and talking about the subject.

Senator DAVIS. You came down on that question?

Mr. TERRELL. I came down here to see whether there was any use talking about it, and I made up my mind there was not and went back home. That is all there is about that.

Senator DAVIS. You have stated that you have never been counsel for this sugar trust or any of its members, and that you have no proprietary interest in the concern.

Mr. TERRELL. None whatever.

Senator DAVIS. And never have had?

Mr. TERRELL. Sometimes I have been a holder of its stock on the market.

Senator DAVIS. Have you been such holder during the pendency of the present tariff bill?

Mr. TERRELL. Yes, sir.

Senator DAVIS. When did that holding begin?

Mr. TERRELL. I am unable to tell you.

Senator DAVIS. What month?

Mr. TERRELL. I can not even tell that.

Senator DAVIS. This year?

Mr. TERRELL. Oh, yes; I think so. It may have been December, I can not tell that; within a few months past; not farther back, I should say. You mean recently?

Senator DAVIS. I mean since the beginning of the present session of Congress.

Mr. TERRELL. I can not tell that. I have speculated in sugar off and on.

Senator DAVIS. Have you been speculating in sugar since the first Monday in December last?

Mr. TERRELL. Yes, sir.

Senator DAVIS. How many times?

Mr. TERRELL. I can not tell you how many times.

Senator DAVIS. Have you bought and sold?

Mr. TERRELL. Yes, sir.

Senator DAVIS. In large or small amounts?

Mr. TERRELL. Moderate amounts.

Senator DAVIS. What is your largest transaction?

Mr. TERRELL. I think 5,000 shares is the largest number of shares I ever held in my life.

Senator DAVIS. When was that—this year?

Mr. TERRELL. Yes, sir.

Senator DAVIS. At what time this year?

Mr. TERRELL. I can not tell, possibly in February. I can get you the date.

Senator DAVIS. Have you closed that transaction?

Mr. TERRELL. Yes, sir.

Senator DAVIS. When did you close it?

Mr. TERRELL. I can not tell that; very shortly after I opened it.

Senator DAVIS. Was it before this visit to Washington which Mr. Gaston testified to?

Mr. TERRELL. That I am absolutely unable to say.

Senator DAVIS. It was a deal of 5,000 shares?

Mr. TERRELL. Yes, sir.

Senator DAVIS. Was it a purchase, or sale?

Mr. TERRELL. Both.

Senator DAVIS. Did you buy at first?

Mr. TERRELL. Yes, sir. I did not sell it short; I bought it.

Senator DAVIS. How long did you hold it?

Mr. TERRELL. That I can not say.

Senator DAVIS. Did you hold it a week?

Mr. TERRELL. It is possible; I do not think I held it a month. I can not say that; possibly a week or possibly ten days.

Senator LODGE. Was it subsequent to the 15th of February?

Mr. TERRELL. I can not say that.

Senator DAVIS. Was it after this conversation that Mr. Gaston testifies to?

Mr. TERRELL. I am unable to say that. I will swear, however, that the conversation that Mr. Gaston testified to, or any conversation held at that time, had nothing to do with the stock. Of course I bought stock when I thought the chances would be that it would go up. Sometimes I made something on it and sometimes I lost.

Senator DAVIS. Was this transaction of 5,000 shares the result of profit or loss?

Mr. TERRELL. I do not believe it resulted in—— I can not tell exactly. If it is necessary I will find out.

Senator DAVIS. Do you recall what you paid for it?

Mr. TERRELL. I do not.

Senator DAVIS. Or what you sold it for?

Mr. TERRELL. No, sir.

Senator DAVIS. Nor how long you held it?

Mr. TERRELL. I do not.

Senator DAVIS. Nor when you bought it?

Mr. TERRELL. I do not.

Senator DAVIS. Nor when you sold it?

Mr. TERRELL. I do not. I can ascertain all those facts, however.

Senator DAVIS. Are you familiar with the organization of this so-called sugar trust?

Mr. TERRELL. I think not.

Senator DAVIS. You have no personal knowledge of its scope, nor what it comprehends?

Mr. TERRELL. No, sir. I suppose I read the newspapers at the time legal proceedings were instituted against the trust, the same as anybody else, and I think it was a single corporation.

Senator DAVIS. I do not know whether I am right about it, but I think I read somewhere that the first sugar trust that existed in 1890 was dissolved by the courts in New York. Do you know that to be a fact?

Mr. TERRELL. I can give you my impression. My impression is that the sugar combination was originally what we call a trust—that is, a combination of various individuals and companies—and that the trustees issued their certificates for the various interests, and that was declared illegal by the courts, and thereafter they went into the State of

New Jersey and organized a single corporation in which all the property of those various interests were combined.

Senator DAVIS. That is the American trust, so called.

Mr. TERRELL. The American Sugar Refining Company, as I understand it.

Senator DAVIS. Do you know what it is capitalized at?

Mr. TERRELL. Do you understand that I am giving impressions?

Senator DAVIS. Yes; as a matter of public notoriety.

Mr. TERRELL. I think it is $37,500,000 of each, common and preferred; I am not certain about that. Of course it is a matter that can be easily ascertained.

Senator DAVIS. Do you know whether it comprehends any California interest that represents or controls the independent production?

Mr. TERRELL. No, sir; the only thing I know about the independent production is what I read in the newspapers. I have no real knowledge on that subject.

Senator DAVIS. Now Mr. Gaston states in substance that the conversation which he overheard related to an event which transpired that day, as I remember it, namely, the determination of the alleged subcommittee of the Democratic members of the Finance Committee respecting sugar, and that was being discussed in your room that night. Does that statement at all tend to fix the date of the conversation in your mind?

Mr. TERRELL. No, sir; not only that, but I have no recollection of any conversation of that character that anything had been fixed by the subcommittee on any given date.

Senator DAVIS. Do you recollect that night in that conversation some one expounding this sugar question and being complimented by the others for his familiarity with it?

Mr. TERRELL. No, sir; I do not. The only possibility where that could come in, as I recollect the conversation there that night, could have been only when Mr. Havemeyer had his samples out there and was delivering his lecture to Senator Brice on the subject of sugar. It is possible Senator Brice may have complimented him on his knowledge of sugar, but I have no recollection of that. I would say that was earlier in the evening than Mr. Gaston states in his testimony, but I have no recollection of that.

Senator DAVIS. When was it that Mr. Havemeyer requested you to remain in Washington and take charge of or look out for his sugar interest?

Mr. TERRELL. My recollection is that Mr. Havemeyer has been here twice, and he left on the 16th of March. I do not know whether that was his last visit or his first, but I would say when he went back from Washington on his last visit here—if this one was the last one—then probably on the 16th of March.

Senator DAVIS. Have you acted since in pursuance of that request?

Mr. TERRELL. I have not done any more than I did before—I talked sugar.

Senator DAVIS. Have you had any conference with Senators on that subject?

Mr. TERRELL. Yes, sir.

Senator DAVIS. With whom?

Mr. TERRELL. All that I know. I did not know a great many Senators. I knew Mr. Brice. I think I have known Senator Camden for, I should say, twelve or fifteen years.

Senator DAVIS. Just state with whom you talked; what Senators you have talked with.

Mr. TERRELL. Senator Brice, Senator Gorman, Senator Camden, and a very little with Senator Smith.

Senator DAVIS. Is that all?

Mr. TERRELL. Yes, sir. And those are, I think, after looking over the list—I can not swear to it positively, but I think those are the only four Democratic Senators I happened to know.

Senator DAVIS. Have you talked with any Republican Senators?

Mr. TERRELL. Yes.

Senator DAVIS. With whom?

Mr. TERRELL. Principally with Senator Aldrich, because he lived at the hotel and I saw more or less of him.

Senator DAVIS. Did you represent to these gentlemen that you represented the interest of the sugar trust or Mr. Havemeyer?

Mr. TERRELL. I think the first thing I said, after my first interview with Mr. Havemeyer, to several of these gentlemen—I would not say to all—was the request that Mr. Havemeyer made to me, that I look over the ground here and advise him whether he should come here and represent the interest of the sugar-refining industry.

Senator DAVIS. You had previously in a superficial way been possessed of Mr. Havemeyer's views by a conversation with him in New York?

Mr. TERRELL. Yes, sir.

Senator DAVIS. Did you endeavor to persuade these Senators to acquiescence in those views? In other words, did you argue the matter with them?

Mr. TERRELL. I tried, so far as I got possession of the real question myself, to impress it upon them.

Senator DAVIS. As Mr. Havemeyer had expressed it to you?

Mr. TERRELL. Yes, sir.

Senator DAVIS. You argued for an ad valorem duty?

Mr. TERRELL. Yes, sir; I gave them the reasons why I thought it was a fair duty, and the only duty. I did not then see, and do not see now, how a man who understands the subject could vote for any other.

Senator DAVIS. Where were these conferences with the Senators usually had?

Mr. TERRELL. Sometimes I would go to their houses. Mr. Brice I would see at his house frequently. I suppose I took dinner there half a dozen times during the winter.

Senator DAVIS. Where did you see Senator Camden?

Mr. TERRELL. I think once or twice right across from the hotel.

The CHAIRMAN. Did Senator Camden live straight across from the hotel?

Mr. TERRELL. Yes, sir; I think at No. 815.

Senator DAVIS. Where did you see Senator Gorman?

Mr. TERRELL. Usually at his room, but not a great many times.

Senator DAVIS. How many times?

Mr. TERRELL. Not a great many.

Senator DAVIS. Where did you see Senator Aldrich?

Mr. TERRELL. At the hotel. Of course he is there all the while.

Senator DAVIS. At his room or yours?

Mr. TERRELL. It is possible he may have been in my room once.

Senator DAVIS. Is it possible, or so?

Mr. TERRELL. I can not swear absolutely that he was, but I would

see Senator Aldrich four or five times a week, and most every day in the lobby. I had no designs on Senator Aldrich or anybody else.

The CHAIRMAN. Were the arguments and views you presented to the Senators the same to all of them?

Mr. TERRELL. Certainly. I never said a word to any Senator of the United States or anybody else on the subject of sugar except in the line of fair argument, that I would not say to you here, or to the open Senate of the United States. I never made a proposition to any Senator or Representative of any consideration upon the subject of sugar legislation that was not a proper one.

Senator DAVIS. How long have you known Senator Gorman?

Mr. TERRELL. I think five or six years; I do not know just how long.

Senator DAVIS. Do you know whether Mr. Havemeyer saw him on the occasion of any of his visits here?

Mr. TERRELL. I am not certain, but I think he did.

Senator LODGE. Did you present your views to the Democratic members of the Senate Finance Committee?

Mr. TERRELL. I never had the pleasure of meeting any of them, except that meeting with Senator Camden, and I think on that occasion I said nothing.

Senator LODGE. You made no effort to see them?

Mr. TERRELL. No, sir; I knew none of them personally, and I did not want to make a nuisance of myself, or I tried not to. I will say to the committee frankly that I supposed, and do now, that there was no impropriety in any man in the United States talking to a Senator on the subject of a pending tariff bill, and I know as a matter of fact that there is hardly an interest in this country that did not have people here talking to everybody, and I think that the only animadversion that has been made has been on sugar, as if that industry could not have anybody here to speak on the subject of sugar.

Senator LODGE. You presented your views, I understand, only to United States Senators that you knew?

Mr. TERRELL. That is all.

Senator LODGE. You made no effort to present your views to Senators in charge of the bill?

Mr. TERRELL. I did not; I did not know them and I presumed my views would not have much weight with those I did not know, and I certainly did not know how much weight they would have with those I did know. Then Mr. Havemeyer was here quite a time and was much more familiar with the subject than I.

Senator DAVIS. You say on one occasion in your room, when Senator Brice was present, that Mr. Havemeyer had his samples in your room, or went and got them and brought them in?

Mr. TERRELL. Yes, sir.

Senator DAVIS. You do not know which?

Mr. TERRELL. No, sir.

Senator DAVIS. And he explained the commerical aspects of them to Senator Brice?

Mr. TERRELL. Yes, sir.

Senator DAVIS. Were those samples there when Senator Smith, of New Jersey, came in?

Mr. TERRELL. I think not. Well, I will not be positive about it. I can say this, that if they were sitting there, if the samples were sitting there, there was no explanation given after Senator Smith came.

Senator DAVIS. Was sugar talked about in any way while Senator Smith was there?

Mr. TERRELL. I can not recollect. It may have been. There was nothing in the conversation after Senator Smith came in that attracted my attention to a sufficient extent so that I have now the slightest recollection.

Senator DAVIS. How long did Senator Smith remain there that evening?

Mr. TERRELL. Possibly half an hour; possibly longer.

Senator DAVIS. What was the subject of conversation?

Mr. TERRELL. That I can not tell. It was a running chat. It was not a preconcerted meeting with anybody, and had no object in view.

Senator DAVIS. Will you state that Mr. Havemeyer did not then bring up the subject of sugar to the attention of Senator Smith?

Mr. TERRELL. I will not.

Senator DAVIS. Had the discussion with Senator Brice, or the explanation with Senator Brice, ceased before Senator Smith came in?

Mr. TERRELL. Oh, yes, sir; sometime.

Senator DAVIS. What is your impression as to whether the subject was renewed after Senator Smith came in?

Mr. TERRELL. I have not the slightest impression.

Senator DAVIS. You do not think immediately after the discussion with Senator Brice ended that the samples were packed up and taken away, do you?

Mr. TERRELL. I can not recall anything about that.

Senator DAVIS. How many samples were there?

Mr. TERRELL. I would say possibly there were eight; six or eight little tin boxes that wide and about that long [indicating], and probably as deep as they are wide.

Senator DAVIS. About 2 inches deep, 6 inches long, and 2 inches wide?

Mr. TERRELL. Yes, sir.

Senator DAVIS. Was that talk in your room, whenever it was, before or after Mr. Havemeyer had his conference with Senator Jones?

Mr. TERRELL. I will have to give you a guess on that, and I will have to think a little to make the guess.

Senator DAVIS. The best you can.

Mr. TERRELL. I would say that the probabilities are that it was after. I think the interview with Senator Jones at Senator Camden's room was very shortly after Mr. Havemeyer arrived here. That would be my recollection, within a day or two. Whether it was on that visit or the other one I can not tell now. Of course I do not know which was the first visit.

Senator DAVIS. Did Mr. Havemeyer have his samples before Senator Jones in that conference?

Mr. TERRELL. I should say not.

Senator DAVIS. Have you any recollection on the subject whether he did or not?

Mr. TERRELL. What I have would be on that side, that they were not there.

Senator DAVIS. Have you had any conference with Senator Jones yourself?

Mr. TERRELL. Never in my life.

Senator DAVIS. Or Senator Vest?

Mr. TERRELL. Never in my life.

Senator DAVIS. Or Senator McPherson?

Mr. TERRELL. No, sir.

Senator DAVIS. Or Senator Mills?

Mr. TERRELL. No, sir.

Senator DAVIS. Or Senators Caffery, White, or Blanchard?

Mr. TERRELL. No, sir; I never heard any of them speak that I know of, but Senator Caffery. I have heard the tone of his voice, that is all.

Senator DAVIS. When did you first hear, if you ever did, that Secretary Carlisle had drafted a sugar schedule?

Mr. TERRELL. I never heard anything about it until I read it in the newspapers.

Senator DAVIS. That is the first that you had ever been informed?

Mr. TERRELL. Yes, sir.

Senator DAVIS. During the pendency of this present tariff bill, do you know whether any representative of the sugar trust, except yourself, has been here representing it? I do not mean like Mr. Havemeyer, but as a representative of the trust requested to be here to watch proceedings.

Mr. TERRELL. No, sir. I know there has been another officer of the sugar company in the city more or less.

Senator DAVIS. Who is that?

Mr. TERRELL. Mr. Searles.

Senator Davis. The treasurer?

Mr. TERRELL. Yes, sir. I have seen very little of him. I have seen him several times, and know of the fact of his being here.

Senator DAVIS. In any of the conversations where you have been present, have you ever heard stated by any representative or member of the sugar trust any alleged obligations of the Democratic party to the trust on account of contributions to campaigns?

Mr. TERRELL. Never in my life.

Senator DAVIS. Have you any knowledge of any such contributions?

Mr. TERRELL. Never. I am a Republican. I know nothing except what I saw in the newspapers. To my knowledge the subject was never referred to or hinted at, that there was any such contribution in existence.

Senator DAVIS. Do you know of any such contributions by the sugar trust to the Republican campaign committee?

Mr. TERRELL. No, sir; except what I saw in the newspapers, I have no means of knowing on either side.

Senator DAVIS. Do you know of any United States Senator or any person pretending to represent him, speculating in sugar stocks during the pendency of this present bill?

Mr. TERRELL. I do not. If you had not asked me the question I would have said—because there have been a great many publications besides the one you have called my attention to—I have seen papers stating that I was here representing a sugar pool; that I was furnishing information for certain pools, etc. My friend Senator Brice has been represented as having made a fortune in this connection. There is absolutely nothing in it. I never was a member of a pool of sugar stock in my life, or of any syndicate that was interested in it.

Senator DAVIS. During your stay here in Washington, have you bought or sold sugar certificates?

Mr. TERRELL. Yes, sir.

Senator DAVIS. When was your last investment?

Mr. TERRELL. Here in Washington, or anywhere?

Senator DAVIS. Here in Washington.

Mr. TERRELL. I can not tell you exactly. I do not recollect when I

practically went home from Washington. I should think it was a month ago. That would bring it, I presume, the latter part of April or the first of May.

Senator DAVIS. How many purchases or sales of sugar certificates have you made since your stay in Washington in January last?

Mr. TERRELL. I can not say—several.

Senator DAVIS. Have they been mostly sales in the first instance?

Mr. TERRELL. No, sir; I think, on the contrary, mostly purchases in the first instance.

Senator DAVIS. How many of your sugar transactions do you suppose, not requiring strict accuracy of recollection, in the aggregate, during your stay in Washington?

Mr. TERRELL. Of course you want me to count one thing only. When a thing is bought and sold you do not want me to count double?

Senator DAVIS. Only one side.

Mr. TERRELL. It will have to be a pure guess.

Senator DAVIS. To your best recollection.

Mr. TERRELL. I can not recollect. I have bought and sold a great many things—possibly 20,000 shares.

Senator DAVIS. Those shares are $1,000 each?

Mr. TERRELL. No; $100 each. But that covers quite a number of transactions.

Senator DAVIS. Have these operations been solely upon your private account, or has anybody been interested in them with you?

Mr. TERRELL. Every one of them, with the exception of two or three, on my own private account. There has been nobody interested in them to the extent of a cent.

Senator DAVIS. Has any United States Senator had any interest, directly or indirectly, in any of these transactions that you speak of?

Mr. TERRELL. Never. I said with the exception of two or three. I can tell you about them.

Senator DAVIS. Your last answer satisfies me. I do not want to inquire into your private matters.

Mr. TERRELL. I have not gone into sugar stock directly or indirectly in any way with any Senator or Representative of the United States. I have never discussed the question of stock-market prices of sugar stock with any Senator or Representative of the United States in any way, shape, or manner, and, so far as I know, not one of them knows I have been gambling in stock.

Senator DAVIS. Had you operated in sugar before the commencement of this present Congress?

Mr. TERRELL. Oh, yes; more or less. It is a favorite speculative stock. It moves one way or the other pretty rapidly.

Senator LODGE. I asked you if you remembered who was present in Senator Camden's room, and you stated Senator Camden, Senator Jones, Mr. Havemeyer, and yourself.

Mr. TERRELL. That is my present recollection.

Senator LODGE. Senator Jones said in regard to that interview:

Yes, sir. Opposite the Arlington. I do not know the number. After I got there a man whom I was introduced to, who was introduced as a Mr. Havemeyer, and two other gentlemen whom I did not know, came.

Mr. TERRELL. I think the Senator is mistaken.

Senator LODGE. I think one of them is yourself.

One or two other gentlemen were present.

Mr. TERRELL. Now, it is possible that the Senator's private secretary was there. I did not think about him, and I do not recall him now.

Senator LODGE. He said with Mr. Havemeyer came two others.

Mr. TERRELL. I think he is entirely mistaken. I think Mr. Havemeyer and myself walked across from the hotel, and there was no other person with us. I am quite positive on that subject.

Senator LINDSAY. You spoke of talking with Republican as well as Democratic Senators. How many Republican Senators do you know?

Mr. TERRELL. Senator Aldrich, Senator McMillan, of Michigan, whom I have known quite well for a number of years. I had a little talk with him. When I say I have had a talk, I mentioned about the tariff bill, "Is it going to pass, or is it not going to pass?" mostly with those men. As far as Mr. Aldrich is concerned, I boarded with him at the same hotel and saw him at meals, met him in the lobby, and laughed and talked with him about the tariff many times, and asked him whether they were going to defeat the bill. I am a Republican, and would be glad to see it beaten, so far as that is concerned. There has been no conversations with Republican Senators that had any significance whatever.

Senator LINDSAY. You did not hesitate to talk sugar with them?

Mr. TERRELL. I talked sugar with any man.

The CHAIRMAN. Did you make any discrimination between Republican and Democratic Senators in that regard?

Mr. TERRELL. No, sir. I have no apologies to make to anybody for doing it. I have an interest and I have a right to talk with a Senator of the United States in a fair manner on any legislation, and when it comes to the point that we can not we might as well shut up shop.

The CHAIRMAN. Did any Republican Senator hesitate to talk with you upon the subject of sugar?

Mr. TERRELL. None whatever. No Senator has hesitated to talk with me. I never said anything to anybody that I would not say anywhere. Of course I do not know the specific things that have been alleged in these interviews, and the testimony taken of course I have not had an opportunity to see. But I have always been willing to help Mr. Havemeyer in a friendly way to the best of my ability and to talk with any Senators on the subject of sugar and give them my views. Of course my views come from Mr. Havemeyer; I mean the facts. I could see the points he made and I have been free to express them. I have thought all the while there was no impropriety in Mr. Havemeyer coming here and expressing himself. It is an intricate subject, and I confess, as much as I have heard about it, I do not understand it thoroughly. If he could not come here and tell it to Senators, why, I did not see how any business could be protected in this country.

The CHAIRMAN. You did not see how Senators could legislate intelligently unless somebody explained the subject?

Mr. TERRELL. No, sir. I remember distinctly one of the first things I said to Mr. Havemeyer after my first visit was this: "If the fact that 80 per cent of this business is done under organized capital and 20 per cent outside settles that it is to receive no consideration by the Senate of the United States, then I am through with it."

Senator DAVIS. Did you understand from Mr. Havemeyer that 80 per cent of the production of refined sugar in this country was held by the trust, and 20 per cent by outside refiners?

Mr. TERRELL. I can not say that I did; I have got that impression somewhere. Mr. Havemeyer will be before you and he will be able to give figures of that kind better than I can.

Senator DAVIS. That is your impression from some reliable source?

Mr. TERRELL. I do not know how reliable it is, but I have got an

impression that about 80 per cent of the American refining of sugar is done by the sugar refining company, and 20 per cent outside. Mr. Havemeyer can give a better judgment upon that subject than I can.

Senator ALLEN. Have you an office on Wall Street, New York?

Mr. TERRELL. I have not.

Senator ALLEN. You have a place of business there, have you not?

Mr. TERRELL. Oh, yes; I testified that I was president of two companies which I named.

Senator ALLEN. Where is your place of business?

Mr. TERRELL. No. 80 Broadway; the Union Trust Building, top floor.

Senator ALLEN. Your time is consumed in looking after these companies as an officer?

Mr. TERRELL. As much as I devote to anything. My time is not consumed in anything.

SWORN TESTIMONY OF ELVERTON R. CHAPMAN.

(June 8, 1894.)

Senator LODGE. Mr. Chapman, you live in New York?

Mr. CHAPMAN. I do so.

Senator LODGE. Your business?

Mr. CHAPMAN. I am a banker and broker.

Senator LODGE. What is your firm?

Mr. CHAPMAN. The firm of Moore & Schley.

The CHAIRMAN. Are you a member of the firm?

Mr. CHAPMAN. I am, sir.

Senator LODGE. In an article which appeared in the Philadelphia Press of May 14th, the following statement appears:

On the very day that Mr. Voorhees, the chairman of the Finance Committee, denied in the Senate that any amendments were proposed to the Senate's bill as originally reported by the Finance Committee, the list of some 400 amendments, as prepared by Senator Jones, was in the hands of one of the members of the brokerage firm of Moore & Schley. He had not arisen when it was placed in his hands. He was in bed, for it was early morning. He sat up in bed and read these amendments, conspicuous among them being the final determination regarding the sugar schedule. So that while the Senate, the House, and the country not only knew nothing of these amendments, but were assured by the chairman of the Finance Committee that there were none, Senator Brice's brokers had a copy of the amended bill and the privilege, which was denied even to the chairman of the Finance Committee, of reading them.

Do you know anything in regard to that statement?

Mr. CHAPMAN. I do not.

Senator LODGE. Were any such amendments given you before they appeared in public?

Mr. CHAPMAN. They were not.

Senator LODGE. Do you know of any member of your firm receiving them?

Mr. CHAPMAN. I do not.

Senator LODGE. Is there a member of your firm in Washington?

Mr. CHAPMAN. There is not, except myself.

Senator LODGE. I mean you have no house here, no branch house here.

Mr. CHAPMAN. We have a correspondent here, but no member of the firm is located in Washington.

Senator LODGE. That is what I mean. No partner of Moore & Schley lives in Washington. Is the statement that you are Senator Brice's brokers *true*?

Mr. CHAPMAN. We have at times done business for Senator Brice.

Senator LODGE. So far as you know, no member of your firm and no one in your employment had an advance copy of these amendments?

Mr. CHAPMAN. No, so far as I know.

Senator LODGE. Did you ever hear any suggestion that such was the case except in this newspaper paragraph?

Mr. CHAPMAN. I did not, and I might add that I do not believe it to be true.

Senator DAVIS. Do you know any fact out of which that story could have grown?

Mr. CHAPMAN. I do not.

Senator LODGE. The writer of that story was Mr. Edwards. He has been before the committee. I will quote from his testimony:

The CHAIRMAN. You say:

"Here we know that the brokers with whom Senator Brice has been accustomed to commit his speculative interests have been very large purchasers of sugar, and we know also that these brokers had inside information as to the action of the Senate upon the sugar schedule."

You say you know. How do you know?

Mr EDWARDS. Everybody knew that Moore & Schley, of New York, the brokers with whom Senator Brice has, by common report and common understanding, dealt in all his business, were the largest operators in sugar.

The CHAIRMAN. Do you know that yourself?

Mr. EDWARDS. I do not know it legally.

The CHAIRMAN. You know it by public report?

Mr. EDWARDS. As a matter of public understanding on the stock exchange.

The CHAIRMAN. And no other way?

Mr. EDWARDS. No other way.

Is that statement correct, that you have been very large purchasers of sugar, or had very large dealings in sugar stock during the last six months?

Mr. CHAPMAN. I desire to say to the committee that I responded promptly to the subpœna served upon me yesterday and have had no opportunity of consulting counsel in regard to my testimony before this committee, and before answering any questions relating to the business affairs of my firm I would ask the courtesy of the committee for a postponement of my examination upon those points until I can have opportunity to consult with counsel.

The CHAIRMAN. You wish to consult counsel with reference to obtaining a knowledge of what they think your rights may be in regard to answering the question.

Mr. CHAPMAN. Yes, sir. I desire to ascertain or take legal counsel upon the question of the right of this committee to inquire into the business of my firm.

Senator LINDSAY. So far as I am concerned I am willing to concede that you may not be bound to answer as to the general business of your firm in which the public have no interest, but I wish to know whether you also desire to have counsel as to whether or not you will answer questions that relate to the transactions of Senators in buying and selling sugar stocks during the time the tariff bill has been under consideration by the Senate.

Mr. CHAPMAN. I do.

Senator DAVIS. I think, Mr. Chairman, the request is a proper one.

Senator ALLEN. I do not know that I understand this witness thoroughly; therefore I will put him this question. Do you desire to confine your consultation with your counsel to the question whether you are compelled to disclose the names of Senators who may have speculated in sugar stocks pending this tariff bill through your firm as their brokers?

Mr. CHAPMAN. Yes. I would like to ascertain from counsel generally to what extent I should go in disclosing any of the business of my firm before this committee.

Senator ALLEN. And more especially with reference to disclosing transactions of Senators during the pendency of the tariff bill.

Mr. CHAPMAN. That, of course, would be embraced in the inquiry.

The CHAIRMAN (at the request of Senator Lodge). The resolution under which we are acting is as follows:

Resolved, That a committee of five Senators be appointed to investigate these charges (referring to certain charges in the newspapers) and inquire further whether any Senator has been or is speculating in what is known as sugar stocks during the consideration of the tariff bill now before the Senate.

Senator LODGE. Under that inquiry which has just been read, and in pursuit of it, I asked you, Mr. Chapman, whether the statement made in the newspaper that your firm had been very large purchasers of sugar stock during the pendency of the tariff bill was true, and I understand that you decline to answer that question until you have had opportunity to consult your counsel. You request to be allowed not to answer until you have had opportunity to consult your counsel. That is correct?

Mr. CHAPMAN. I stated that before answering any question relating to our business I would prefer to have opportunity to consult counsel, and that request is a general one as to all questions. I do not know that there would be any objection on my part to answering the question that you have just propounded, alone. Assuming that that was to be followed by other questions that would relate to the operations of our house, I desired, at the outset, to make that request. I did not know what the scope of the inquiry would be and had no opportunity to consult counsel in regard to it.

Senator LODGE. Precisely. The chairman has read the resolution and stated to you the scope of the inquiry. My only purpose in referring to it was to bring us, if possible, to the precise point on which you desired to consult counsel; whether you desired to consult counsel before answering any question, or whether you desired to consult counsel before answering this particular question.

Mr. CHAPMAN. Before answering any questions relating to our business affairs. I have already answered the questions relating to the allegation that we had advance information of the tariff schedule. As you are now going into another branch of the inquiry I would like, before answering any question in regard to it, to consult counsel.

The CHAIRMAN. You wish to consult counsel before answering any question as to your private business.

Mr. CHAPMAN. Yes, sir.

The CHAIRMAN. Just before the meeting of the committee after the recess for lunch the following letter was handed me by Senator Brice, which I will read:

SENATE CHAMBER,
Washington, D. C., June 8, 1894.

Hon. GEORGE GRAY,
Chairman, U. S. Senate Committee of Investigation:

SIR: It is stated in the newspapers that brokers and other witnesses as to transactions of Senators in industrial stocks or securities, sugar and others, have been summoned by your committee. In case any of them claim any privilege, this is to say to them severally, that they are authorized and requested to answer as to any transactions of or for me or any of my family, secretaries, clerks, agents, or employés, as to any transactions in sugar or other industrial stocks since March 4, 1891, when I entered the Senate.

During that period I have not been interested, directly or indirectly, alone or with

others, either for investment or speculation, or in the results of either in any sugar or other industrial stock or security or property; and in case any allegation is made by any one as to me, all accounts of mine, or with which I am in any way connected, including my private accounts in my own charge and in those of my clerks, viz, G. E. Gilliland, Washington; Saml. C. Shortridge and W. E. Findlay, 80 Broadway, New York, and Chas. M. Hughes, Lima, Ohio, and the accounts of my brokers in New York, Messrs. Work. Strong & Co., Moore & Schley, and Latham, Alexander & Co., and of any other broker or brokers, are open to you or to any one authorized by you to examine them, and I hereby request and require each of them to answer fully.

Respectfully,

CALVIN S. BRICE.

Now, after hearing that letter which has been addressed to the committee through its chairman, do you, so far as Mr. Brice is concerned wish still to consult your counsel before answering?

Mr. CHAPMAN. I do not understand that I have yet been asked any question concerning Senator Brice.

The CHAIRMAN. Well, I will ask you, then, so far as he is concerned, whether during the pendency of the present tariff bill Senator Brice has, through your firm, or to your knowledge, speculated in what are known as sugar stocks?

Mr. CHAPMAN. As I am going to consult my counsel I would prefer to answer no question relating to my business until I have done so.

Senator LODGE. I understood, Mr. Chapman, that you made no objection to answering those questions I asked you in regard to the amendments. I remember I asked in the beginning about the amendments which were said to have been furnished to your firm—a copy of the amendments. You made no objection to answering.

Mr. CHAPMAN. I answered those to the best of my ability.

Senator LODGE. Let me ask a little more fully on that point. Did you or any of your firm have any advance knowledge of any sort in regard to those amendments?

Mr. CHAPMAN. That is a difficult question to answer. We were constantly in receipt of information from Washington as to the progress of the bill and the probabilities one way or another of its final passage and of perhaps some items of the bill.

Senator LODGE. Did you have any advance knowledge as to the present sugar schedule, that it would be 40 per cent ad valorem and an eigth and a tenth differential?

Mr. CHAPMAN. No knowledge, so far as I know.

Senator LODGE. Did you have information that that was to be the schedule?

Mr. CHAPMAN. I could not answer that question. We had advices of all sorts and descriptions constantly coming over, and probably all or most of them were pure guesses with the view of speculation as to what the probable outcome of the negotiation would be.

Senator LODGE. I did not refer to guesses or estimates which were sent out from Washington in large numbers, but did you, three or four days before these Jones amendments, as they are known, appeared in the Senate, have information that these amendments would contain a sugar schedule about 40 per cent ad valorem on all sugar?

Mr. CHAPMAN. Not to my knowledge.

Senator LODGE. You do not know that anyone in your firm had any such knowledge?

Mr. CHAPMAN. I do not think that any member of the firm had such knowledge.

Senator LODGE. Your firm had no such knowledge as would have led them to act upon it?

Mr. CHAPMAN. They did not. I wish to say that my request that the answer to the last question be deferred is made with the view of first having definitely settled the general principles upon which answers to questions shall be made.

The CHAIRMAN. You mean that with reference to the question in regard to Mr. Brice's transactions through your firm, after hearing the letter read, your declination was because you wished to know whether you ought to trench on the general principle that might be laid down in regard to your rights?

Mr. CHAPMAN. That is the idea exactly.

Senator DAVIS. What general principle? Do you advance any general principle now in reference to answering?

Mr. CHAPMAN. That is the question I propose to submit to counsel, as to whether I should answer any questions relating to our business. If I should answer one question I would perhaps be violating the principle that counsel would lay down for me.

SWORN TESTIMONY OF THEOPHILUS E. ROESSLE.

Senator LODGE. You are a resident of Washington?

Mr. ROESSLE. Yes, sir.

Senator LODGE. What is your occupation?

Mr. ROESSLE. Proprietor of the Arlington.

Senator ALLEN. How long have you been proprietor of the Arlington Hotel?

Mr. ROESSLE. Twenty-five years next December.

Senator ALLEN. You have devoted considerable of your time to active attention to the business?

Mr. ROESSLE. Yes, sir.

Senator ALLEN. You were the proprietor during the last six or seven months, were you not?

Mr. ROESSLE. Yes, sir.

Senator ALLEN. Do you recollect who occupied rooms 33 and 34 on or about the 7th of March, 1894?

Mr. ROESSLE. I thought probably that is what you wanted me here for, so I asked one of the entry clerks to make a transcript from the books. Mr. Terrell occupied rooms 34 and 35 from March 2 to March 21. Mrs. Terrell and Miss Terrell occupied the same rooms, including 33, from March 14 to March 21. Mr. Gaston occupied room 33 from the 6th to the 9th of March.

Senator ALLEN. Do you know Mr. Terrell's business here in the city?

Mr. ROESSLE. Not except from hearsay.

Senator ALLEN. What do you understand his business to be?

Mr. ROESSLE. I understand he is interested in the sugar trust.

Senator ALLEN. And is representing their interests in Washington?

Mr. ROESSLE. No, sir; I do not know that. I only know he was a guest at the hotel.

Senator ALLEN. During the time Mr. Terrell occupied the rooms you mentioned, was he visited by Mr. Henry O. Havemeyer, of New York?

Mr. ROESSLE. That I do not know.

Senator ALLEN. Has Mr. Havemeyer been at your hotel?

Mr. ROESSLE. Yes, sir; he was at the hotel from the 2d of March to the 16th.

Senator ALLEN. What room did he occupy?

Mr. ROESSLE. He occupied rooms 232 and 233.

Senator ALLEN. Was that on the same floor with Mr. Terrell?

Mr. ROESSLE. No, sir; it is on the floor above. A different part of the hotel entirely.

Senator ALLEN. Do you know a man by the name of Henry R. Reed?

Mr. ROESSLE. Yes, sir.

Senator ALLEN. Was he at your hotel at or about that time?

Mr. ROESSLE. He has been there more or less all winter.

Senator ALLEN. Is he in the city now?

Mr. ROESSLE. I think so. I saw him last night.

Senator ALLEN. Is he stopping at your hotel?

Mr. ROESSLE. Yes, sir.

Senator ALLEN. What rooms does he occupy?

Mr. ROESSLE. My recollection is 202, 203, and 204.

Senator ALLEN. Do you know Mr. Theodore Havemeyer?

Mr. ROESSLE. Yes, sir.

Senator ALLEN. Has he been in the city during the winter?

Mr. ROESSLE. I have not seen him.

Senator ALLEN. Do you know a gentleman from New York by the name of Cord Meyer?

Mr. ROESSLE. Yes, sir. That is, I know him to have been at the hotel.

Senator ALLEN. When was he there?

Mr. ROESSLE. He has been there twice or three times during the winter. I do not know the dates.

Senator ALLEN. Do you understand what is the occupation of H. O. Havemeyer, Mr. Reed, Mr. Cord Meyer, and Mr. Terrel here in the city of Washington?

Mr. ROESSLE. I do not of my own knowledge.

Senator ALLEN. Do they seem to have any business aside from looking after legislation and talking over the subject of sugar?

Mr. ROESSLE. I do not know; I see so little of them. When Mr. Havemeyer was here I saw him once, and that was only when I was coming into the hotel one morning he was going out, and I spoke to him. That is the only time.

Senator ALLEN. Have you any means of knowing whether Mr. Havemeyer, when at your hotel, was visited by any Senators?

Mr. ROESSLE. No, sir.

Senator ALLEN. Have you any means of knowing whether Mr. Terrell was visited by any Senators?

Mr. ROESSLE. No, sir.

Senator ALLEN. Or Mr. Reed or Mr. Cord Meyer?

Mr. ROESSLE. No, sir; that would not come under my observation at all. I am confined in my office, and there might be 500 Senators and members and people call on these gentlemen and I not know it. That would come under the head of what is called the entry clerks, or front clerks. They would be the parties who would send up cards, always.

Senator ALLEN. Give us the names of your entering clerks or front clerks.

Mr. ROESSLE. The front clerks are H. P. Burney and Mr. Ross (I do not know his first name), and another clerk named Gaines. Those are the three.

Senator ALLEN. They are still there?

Mr. ROESSLE. Yes, sir.

Senator ALLEN. And have been there during the past winter?

Mr. ROESSLE. Yes, sir; they have been there during the past winter.

Senator ALLEN. And they would be the persons who would know?

Mr. ROESSLE. They would be the persons who would know if any cards went up.

Senator ALLEN. So you yourself have no means of knowing whether either of these gentlemen were visited by Senators at their rooms or not?

Mr. ROESSLE. No, sir.

Senator ALLEN. Have you any means of knowing whether either of these gentlemen that you have named belonging to the sugar trust were in conversation with Senators in the office of the hotel?

Mr. ROESSLE. No, sir.

Senator ALLEN. Nothing of that kind?

Mr. ROESSLE. No, sir; a Senator comes into the hotel. If I know him I say, "good morning." I never ask him a question as to where he is going, of course. They never speak to me about going to a room. That is the last thing they speak of. They go to the office, make the inquiry, and the clerk attends to them.

Senator ALLEN. Then I understand your business is not in what is known as the public hotel office?

Mr. ROESSLE. No, sir; mine is directly in the rear of it.

Senator ALLEN. And you would only see them casually?

Mr. ROESSLE. Just casually, as they walked in and out. If a man comes in and sits down and stays all day, I would go out and see him. I have a great many calls, seventy-five or a hundred a day, and in that way I get rid of them quicker. I simply say, "good morning Senator." Senator McPherson will come in and ask to have a check cashed, and I will say to the clerk, "cash this check for this gentleman."

The CHAIRMAN. How many Senators are living at your hotel?

Mr. ROESSLE. There are very few. Senator Platt is there, Senator Patton is there, Senator Carey and Senator Aldrich. I think that is all.

The CHAIRMAN. Have you been in the habit of slipping Senators up the back way—up the elevator?

Mr. ROESSLE. No, sir; that is so idiotic that the man who made such a statement as that must have been an idiot.

The CHAIRMAN. Have you ever had any talk with anybody about slipping them up the back way—up the elevator?

Mr. ROESSLE. No, sir. I saw that idiotic statement in the newspaper, and I said the man who made such a statement as that is a first-class idiot.

The CHAIRMAN. You never did it or stated that you did it?

Mr. ROESSLE. No, sir.

Senator LINDSAY. You never gave any fellow who was nosing into that business access to your private books to tell who was in your hotel at a given time?

Mr. ROESSLE. No, sir; they would not come to me. I would be the last person. They would go to the clerk and ask if such a man was there.

Senator ALLEN. Do you know these two correspondents, Harry Walker and John S. Shriver?

Mr. ROESSLE. Yes, sir.

Senator ALLEN. You have never given them any such information as Senator Gray has just mentioned?

Mr. ROESSLE. No, sir. I do not think correspondents as a general

rule fancy me very much, because I very seldom speak to them. There are so many of them that come to me and ask information that I say, "Go to Mr. Burnett or Mr. Ross and get it; they know more about it than I do."

Senator LINDSAY. You were in charge of the Arlington Hotel in 1889 and 1880?

Mr. ROESSLE. Yes, sir.

Senator LINDSAY. Was your attention called to the fact then that guests in your hotel were interested in the McKinley tariff bill?

Mr. ROESSLE. I might have heard such things, yes. In fact, I know very little of what people do in the hotel. Of course my business is the hotel business, and I never ask questions of any one who comes in. As long as a person is respectable, that is all I want to know.

Senator LINDSAY. And pays his bills?

Mr. ROESSLE. Yes, sir.

Senator LINDSAY. Those are the two essentials?

Mr. ROESSLE. Yes, sir.

Senator LINDSAY. There was nothing extraordinary last winter?

Mr. ROESSLE. No, sir; it has been a very quiet winter, very, indeed.

WASHINGTON, D. C., *June 9, 1894.*

The committee met pursuant to adjournment.

Present: The chairman (Senator Gray), Senators Lodge, Davis, and Allen.

Mr. ELVERTON R. CHAPMAN appeared.

SWORN STATEMENT OF ELVERTON R. CHAPMAN—Continued.

The CHAIRMAN. Mr. Chapman, you were asked yesterday whether your firm is a large dealer in sugar stock, and you were told by Senator Davis that in connection with this question, which was to be considered as preliminary to inquiry of the witness into dealings he or his firm may have had in sugar stocks during the pendency of the present tariff bill in the Senate, in which dealings Senators were, or are, directly or indirectly interested. That was the question in regard to which you said yesterday that you would like before answering to consider. What do you say this morning in answer to that question already put, and I put it to you again?

Mr. CHAPMAN. With reference to the first part of the inquiry, as it is matter of public notoriety among our associate members of the New York Stock Exchange, I state that we have handled large quantities of stock of the American Sugar Refining Company during the pendency of this bill.

Senator LODGE. You have bought and sold?

Mr. CHAPMAN. Bought and sold. Perhaps better "bought and sold" than "handled."

The CHAIRMAN. Were any of those transactions in sugar stock or certificates, so called, transactions in which any Senators of the United States were interested, either directly or indirectly, during the pendency of the present tariff bill, or the consideration of the present tariff bill?

Mr. CHAPMAN. With all due respect to this honorable committee, I

decline to answer that question or any question relating to the business of the firm of Moore & Schley, of which I am a partner.

The CHAIRMAN. Have you finished your answer?

Mr. CHAPMAN. I have.

The CHAIRMAN. You have? Do you decline to answer that question on the ground that its answer may tend in any way to criminate yourself or expose you to a criminal prosecution of any kind whatever?

Mr. CHAPMAN. I decline to answer that question for the reason that we are brokers, and as such are engaged in the business of buying, selling, and carrying stocks, bonds, and other securities dealt in on the New York Stock Exchange for the account of our customers, who are the principals. In transactions we are simply their agents, and as such have neither a moral nor a legal right to divulge the details of business with which we are intrusted. Our relations with our clients are those of the closest confidence, and should we violate this confidence, even at the demand of this honorable committee, we should justly forfeit the respect of those upon whom we must depend for our business.

The CHAIRMAN. You have given a reason for declining to answer the question before the last. My last question was whether you decline to answer for the reason that an answer might expose you to criminal prosecution or tend to expose you to such in any way.

Mr. CHAPMAN. I do not.

The CHAIRMAN. You do not for that reason.

Senator LODGE. You decline to answer for the reason that you have just stated?

The CHAIRMAN. And not for the reason that I have just asked?

Mr. CHAPMAN. That is correct.

Senator DAVIS. You have been summoned to appear before this committee as a witness, have you not?

Mr. CHAPMAN. Yes.

Senator DAVIS. And you appear pursuant to that summons?

Mr. CHAPMAN. I do, sir.

Senator DAVIS. Mr. Chapman, you are asked whether the firm of Moore & Schley have bought or sold what are known as sugar stocks during the month of February, 1894, and after the first day of that month, for or in the interest, direct or indirect, of any United States Senator.

Mr. CHAPMAN. I decline to answer that question.

Senator DAVIS. Has the firm of Moore & Schley during the month of March, 1894, bought or sold any stocks or securities known as sugar stocks for or in the interest, direct or indirect, of any United States Senator?

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Has the firm of Moore & Schley during the month of April, 1894, bought or sold any stocks or securities known as sugar stocks for or in the interest, direct or indirect, of any United States Senator?

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Has the firm of Moore & Schley, during the month of May, 1894, bought or sold any stocks or securities known as sugar stock for or in the interest, direct or indirect, of any United States Senator?

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Has the firm of Moore & Schley, during the month of June, 1894, bought or sold any stocks or securities known as sugar

stock for or in the interest, direct or indirect, of any United States Senator?

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Is the firm of Moore & Schley at present carrying any sugar stock for the benefit of or in the interest, direct or indirect, of any United States Senator?

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Mr. Chapman, has your attention been called to, and have you considered, sections 102, 103, and 104 of the Revised Statutes of the United States upon the subject of refusal of a witness to answer a question pertinent to the inquiry when addressed to him by a committee duly authorized to investigate?

Mr. CHAPMAN. In a general way, yes.

Senator DAVIS. You have read the statute?

Mr. CHAPMAN. I have not read it.

Senator DAVIS. I show you the sections to which I refer. Just cast your eye over them.

Mr. CHAPMAN (after reading). I have now read the statute.

Senator DAVIS. After reading that statute, do you still persist in your refusal to answer the several questions which have been addressed to you?

Mr. CHAPMAN. I do.

Senator DAVIS. Is there anything further that you wish to add?

Mr. CHAPMAN. At the session of the committee yesterday, a letter was read from Senator Brice that has caused me some embarrassment. It was a surprise, as I had no intimation that such a letter would be sent to the committee. I will so far depart from the decision I have just announced as to testify that since the Hon. Calvin S. Brice became a member of the Senate of the United States he has not bought nor sold through our house, directly or indirectly, a share of stock of the American Sugar Refining Company or a share of stock of any industrial company dealt in on the New York Stock Exchange. I mean also to include any industrial stock listed on the New York Stock Exchange.

The CHAIRMAN. Do you mean, in your answer, to say that he has bought or sold during the period mentioned no stock known as sugar stock?

Mr. CHAPMAN. I do. And, further, I desire to state that we have not bought or sold a share of such stock for any clerk, agent, or employé, or other person connected in any way with the affairs of Senator Brice, or in the name of any member of his family. But I submit this evidence only on the direct, written request contained in Senator Brice's letter, which has been read in my presence, and I hereby serve notice on the committee that whether requested to do so or not by any person, whether a customer of our firm or not, or whether a Senator of the United States or not, I shall decline to answer any question that may be asked by the committee as to the principal in any transaction made by our firm in the stock of the American Sugar Refining Company or any other stock.

Senator DAVIS. Was the notice which you have just now served upon the committee prepared by your counsel?

Mr. CHAPMAN. No, sir; it was written by myself. Prepared by myself.

Senator DAVIS. Are we to understand, Mr. Chapman, that this committee is dependent for its testimony from you upon permission given by any Senator whose conduct in regard to speculating in sugar stocks we may be investigating?

The CHAIRMAN. Mr. Chapman has just said, as I understand him, that he refuses independently of any permission and contrary to any permission.

Mr. CHAPMAN. On the contrary, I have just stated that even with such consent I should decline to answer any questions tending to divulge the principal in any transaction we may have made in any stock.

Senator DAVIS. On the contrary, Mr. Chapman, you have just now negatived that purpose by complying with Mr. Brice's request, and I want to know whether you are pleading now here the privilege of your firm or the privilege of a Senator in the refusal which you announce your purpose to persist in?

Mr. CHAPMAN. The privilege of my firm.

The CHAIRMAN. Mr. Chapman, upon what ground do you refuse, and, as you say, you will refuse, to disclose the transaction of a principal who authorizes and directs you to disclose anything concerning himself to this committee?

Mr. CHAPMAN. Upon the ground that we deny the right of this committee to investigate the relations that exist between our firm and our clients, or to inquire respecting transactions we may have had for and on account of our clients.

Senator ALLEN. Mr. Chapman, the Senate, by the resolution under which we are acting, directed us to inquire and report whether any Senator has been or is speculating in what are known as sugar stocks during the consideration of the tariff bill now before the Senate, which is what is known commonly as the Wilson tariff bill, which passed the House of Representatives on the 1st day of February, 1894, and from that time has been in the Senate and is still pending in the Senate and under discussion. I understand you to say that you do not base your refusal to answer any of these questions upon your privilege as an individual to be protected in disclosing anything which would criminate you or expose you to public ignominy. You base your refusal altogether upon the supposition that your firm, as a private firm, has a right to secrete the names of its clientage—those who deal with it. Is that correct?

Mr. CHAPMAN. I do.

Senator ALLEN. You base your refusal to answer these questions solely upon that idea, or solely upon that assumed fact?

Mr. CHAPMAN. Upon that fact, coupled with the fact that should we disclose our principals we would lose the confidence of our clients.

Senator ALLEN. Your refusal is in no manner based upon the supposition that it would criminate you or expose you to public ignominy to answer these questions?

Mr. CHAPMAN. It is not.

Senator ALLEN. I desire to read to you sections 102, 103, and 104 of the Revised Statutes, to go into the record:

SEC. 102. Every person who, having been summoned as a witness by the authority of either House of Congress to give testimony or to produce papers upon any matter under inquiry before either House or any committee of either House of Congress, wilfully makes default, or who, having apppeared, refuses to answer any question pertinent to the question under inquiry, shall be deemed guilty of a misdemeanor, punishable by a fine of not more than one thousand dollars nor less than one hundred dollars, and imprisonment in a common jail for not less than one month nor more than twelve months.

SEC. 103. No witness is privileged to refuse to testify to any fact or to produce any paper respecting which he shall be examined by either House of Congress, or by any committee of either House, upon the ground that his testimony to such fact

or his production of such paper may tend to disgrace him or otherwise render him infamous.

SEC. 104. Whenever a witness summoned, as mentioned in section one hundred and two, fails to testify, and the facts are reported to either House, the President of the Senate or the Speaker of the House, as the case may be, shall certify the fact under the seal of the Senate or House to the district attorney for the District of Columbia, whose duty it shall be to bring the matter before the grand jury for their action.

I desire to supplement the reading of these sections of the statute by the statement to you that the Senate has full power, where a witness refuses to answer a question that is pertinent to the subject under consideration by the committee, to bring you to the bar of the Senate and require you to answer or to inflict imprisonment upon you until you do answer, for contempt of its right to inquire. Now, in view of the law which I have read and the statement which I have made to you do you still persist in your refusal to answer any of these questions?

Mr. CHAPMAN. I do.

Senator ALLEN. Your firm keeps a set of books, does it not?

Mr. CHAPMAN. It does.

Senator ALLEN. In which the names of customers on whose account you transact business are to be found?

Mr. CHAPMAN. Yes, sir.

Senator ALLEN. You keep a regular statement of their accounts, their investments, their sales, and your commissions, etc.?

Mr. CHAPMAN. Yes, sir.

Senator ALLEN. Do you know the name of any United States Senator, any man who is now a United States Senator, appearing upon your books since the 1st day of February, 1894, to this date?

Mr. CHAPMAN. I decline to answer that question.

Senator ALLEN. You decline to answer that. You decline to answer it because the name does appear there, or because it does not appear?

Mr. CHAPMAN. I decline to answer it for the reason stated in the answer to a previous question.

Senator ALLEN. Let me supplement that by asking you if you decline to state whether the name of any United States Senator appears upon your books as a dealer in sugar stocks, so called, described in the resolution which you have read, and which has been read in your presence, since the 1st day of February, 1894, to the present date, in consequence of there being such names upon your book as such dealers in that kind of stock, or in consequence of there not being any names of Senators there?

Mr. CHAPMAN. I decline to answer any question tending to show to this committee whether there are or are not the names of any Senators of the United States upon our books dealing in the stocks referred to.

Senator ALLEN. Mr. Chapman, if no United States Senator had dealt in stocks through your firm; that is, sugar stocks, referred to in the resolutions, during the period I have mentioned, from the 1st of February, 1894, to the present time, you would not hesitate to say so, would you? You would not have to say that any particular gentleman had dealt in these stocks through your firm, but that "No Senator has dealt in these stocks through us." You would not hesitate to say so, would you?

Mr. CHAPMAN. I should hesitate and decline to state.

Senator ALLEN. That would not disclose any person who had dealt with your firm, but only show that these persons had not dealt through your firm in those stocks; and if no United States Senator has dealt through your firm in these sugar stocks during that period, you would not hesitate to say so, would you?

Mr. CHAPMAN. In pursuance of the general policy outlined in the

answer to a previous question, I should decline to answer any question relating in any way to the business of our firm.

Senator ALLEN. But you say, Mr. Chapman, that you put your refusal to answer upon the ground that you think this committee has no power to inquire into the private affairs of your firm. That is correct, is it not?

Mr. CHAPMAN. That is one of the grounds; yes, sir.

Senator ALLEN. Now, then, if your firm has had no transactions with any Senator of the United States, has not been engaged as his broker in buying or selling these sugar stocks for him, that would not disclose any business of your firm, would it, by saying so?

Mr. CHAPMAN. It would be admitting the right of the committee to ask any question relating to our business.

Senator ALLEN. You deny the right of the committee to ask any question that in any manner relates to your business, as I understand you?

Mr. CHAPMAN. I do.

Senator ALLEN. Now, do you deny the right of the committee to ask you a question which does not relate to the business of your firm?

Mr. CHAPMAN. That would depend upon the scope of the question.

Senator ALLEN. If no U. S. Senator had dealt in these sugar stocks referred to in the resolution, Mr. Chapman, during the period I have mentioned through your firm, you would not hesitate to say they had not, would you?

Mr. CHAPMAN. I should.

Senator ALLEN. Would you hesitate to say they had not?

Mr. CHAPMAN. I should.

Senator ALLEN. You would want the impression conveyed to the public mind by your refusal to testify that they had dealt in sugar stocks through your firm during that time?

Mr. CHAPMAN. Not necessarily.

Senator ALLEN. You understand, do you not, Mr. Chapman, that any declination to answer questions conveys to the mind of the committee that Senators have dealt in sugar stocks through your firm, and that you are attempting to secrete matters and shield them in the transactions? Do you understand that to be a proper deduction from your refusal to answer?

Mr. CHAPMAN. I do not know that I can testify as to the impression my testimony leaves upon the minds of the committee.

Senator ALLEN. If no United States Senator has dealt in these sugar stocks referred to in the resolution, during the period that I have mentioned in previous questions, why should you refuse to say that they have not so dealt?

Mr. CHAPMAN. Upon the general principle that we deny the right of this committee to inquire into our business.

Senator ALLEN. You deny the right of the committee to inquire as to your business, and you deny the right of the committee to inquire into things that you do not transact, as well?

Mr. CHAPMAN. I deny the right of the committee to require an answer to any question which shall have reference to business we have done or business we have not done.

Senator ALLEN. So that you deny the right of the committee to inquire into anything which may concern your firm, affirmatively or negatively?

Mr. CHAPMAN. That is it, exactly.

Senator ALLEN. If in a court of justice under examination, you would not attempt to make that denial, would you?

Mr. CHAPMAN. That would depend very largely upon the circumstances of the case.

Senator ALLEN. Mr. Chapman, Hon. Nelson W. Aldrich is a United States Senator from the State of Rhode Island, now engaged in discharging his duties as a member of the Senate, and has been since the 1st of February, 1894. You may state if he has purchased or sold any sugar stock, such as are mentioned in this resolution, through your firm during the period I have mentioned. I speak of the period from the 1st day of February, 1894, to the present moment, during all which time the tariff bill has been under discussion in the Senate.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. You decline to answer. William V. Allen is a United States Senator from the State of Nebraska, and has been during this period. You may state if during that time he bought or sold or had been concerned in buying or selling sugar stocks through your firm.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. I want to state to you, in connection with this question, Mr. Chapman, that I am the William V. Allen whose name is embraced in the preceding question, and I give you full liberty, and make personal request of you, to testify before this committee if I have had any business transactions with your firm, or through your firm, in the purchase or sale of sugar stocks or any other stocks during that period. I hope you will waive your privilege, as you look at it, to that extent.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. You decline to answer that. The Hon. William B. Allison is a United States Senator from the State of Iowa, and has been during the period I have mentioned. State whether he has been concerned in buying or selling any sugar stocks during the period I have mentioned. I am going to take you through the list of these names, and you may answer as rapidly as I can proceed with them.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. I put to you the same question in reference to Hon. William B. Bate, a United States Senator from the State of Tennessee.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. I put to you the same question with reference to Hon. James H. Berry, a United States Senator from the State of Arkansas.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Joseph C. S. Blackburn, a United States Senator from the State of Kentucky.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Hon. Calvin S. Brice, a Senator from the State of Ohio, you have testified about. Hon. Matthew C. Butler is a United States Senator from the State of South Carolina. I ask you the same question with reference to him.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also the same question with reference to Hon. Donelson Caffery, a United States Senator from the State of Louisiana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Wilkinson Call, a United States Senator from the State of Florida.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Johnson N. Camden, a United States Senator from the State of West Virginia.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James Donald Cameron, a United States Senator from the State of Pennsylvania.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Joseph M. Carey, a United States Senator from the State of Wyoming.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William E. Chandler, a United States Senator from the State of New Hampshire.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Francis M. Cockrell, a United States Senator from the State of Missouri.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Richard Coke, a United States Senator from the State of Texas.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Shelby M. Cullom, a United States Senator from the State of Illinois.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John W. Daniel, a United States Senator from the State of Virginia.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also the Hon. Cushman K. Davis, a United States Senator from the State of Minnesota. He is a member of the committee, and may speak for himself.

Senator DAVIS. Mr. Chapman, I request and insist that you answer that question.

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Do you wish to put me in the position of appearing to have speculated in sugar stocks through your firm?

Mr. CHAPMAN. I do not; I simply decline upon general principles.

Senator ALLEN. Also the Hon. Nathan F. Dixon, a United States Senator from the State of Rhode Island.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Joseph N. Dolph, a United States Senator from the State of Oregon.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Fred T. Dubois, a United States Senator from the State of Idaho.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Charles J. Faulkner, a United States Senator from the State of West Virginia.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William P. Frye, a United States Senator from the State of Maine.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Jacob H. Gallinger, a United States Senator from the State of New Hampshire.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James Z. George, a United States Senator from the State of Mississippi.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Charles H. Gibson, a United States Senator from the State of Maryland.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John B. Gordon, a United States Senator from the State of Georgia.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Arthur P. Gorman, a United States Senator from the State of Maryland.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. George Gray, United States Senator from the State of Delaware.

Mr. CHAPMAN. I decline to answer.

The CHAIRMAN. I make the same request that Senator Davis did, and ask and insist that you answer the question so far as I am concerned.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Eugene Hale, United States Senator from the State of Maine.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also the Hon. Henry C. Hansbrough, United States Senator from the State of North Dakota.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Isham G. Harris, a United States Senator from the State of Tennessee.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Joseph R. Hawley, a United States Senator from the State of Connecticut.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Anthony Higgins, a United States Senator from the State of Delaware.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. David B. Hill, a United States Senator from the State of New York.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. George F. Hoar, a United States Senator from the State of Massachusetts.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Eppa Hunton, a United States Senator from the State of Virginia.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. J. L. M. Irby, a United States Senator from the State of South Carolina.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James K. Jones, a United States Senator from the State of Arkansas.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John P. Jones, a United States Senator from the State of Nevada.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James H. Kyle, a United States Senator from the State of South Dakota.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William Lindsay, a United States Senator from the State of Kentucky, who is also a member of this committee, and who, I am well satisfied, would desire you to make any statement concerning him if he were present. He is detained from the committee by sickness.

Mr. CHAPMAN. I also decline to answer as to him.

Senator ALLEN. Also Hon. Henry Cabot Lodge, a United States Senator from the State of Massachusetts, a member of the committee.

Senator LODGE. I request and insist, Mr. Chapman, as Mr. Gray and Mr. Davis have done, that you reply whether, directly or indirectly, I have dealt through your firm in the purchase or sale of any kind of stocks?

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. You may assume that that request is made and urged upon you, Mr. Chapman, by every member of the committee, collectively and individually. Also Hon. James McMillan, a United States Senator from the State of Michigan.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John R. McPherson, a United States Senator from the State of New Jersey.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Charles F. Manderson, a United States Senator from the State of Nebraska.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John Martin, a United States Senator from the State of Kansas.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Roger Q. Mills, a United States Senator from the State of Texas.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John L. Mitchell, a United States Senator from the State of Wisconsin.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John H. Mitchell, a United States Senator from the State of Oregon.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John T. Morgan, a United States Senator from the State of Alabama.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Justin S. Morrill, a United States Senator from the State of Vermont.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Edward Murphy, jr., a United States Senator from the State of New York.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John M. Palmer, a United States Senator from the State of Illinois.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Samuel Pasco, a United States Senator from the State of Florida.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Wm. A. Peffer, a United States Senator from the State of Kansas.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. George C. Perkins, a United States Senator from the State of California.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. R. F. Pettigrew, a United States Senator from the State of South Dakota.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Orville H. Platt, a United States Senator from the State of Connecticut.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Thomas C. Power, a United States Senator from the State of Montana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Redfield Proctor, a United States Senator from the State of Vermont.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James L. Pugh, a United States Senator from the State of Alabama.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Matthew S. Quay, a United States Senator from the State of Pennsylvania.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Matt W. Ransom, a United States Senator from the State of North Carolina.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William N. Roach, a United States Sentor from the State of North Dakota.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John Sherman, a United States Senator from the State of Ohio.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. George L. Shoup, a United States Senator from the State of Idaho.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James Smith, jr., a United States Senator from the State of New Jersey.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Watson C. Squire, a United States Senator from the State of Washington.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William M. Stewart, a United States Senator from the State of Nevada.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Henry M. Teller, a United States Senator from the State of Colorado.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. David Turpie, a United States Senator from the State of Indiana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. George G. Vest, a United States Senator from the State of Missouri.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William F. Vilas, a United States Senator from the State of Wisconsin.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Daniel W. Voorhees, a United States Senator from the State of Indiana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William D. Washburn, a United States Senator from the State of Minnesota.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Edward D. White, formerly United States Senator, of the State of Louisiana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also the Hon. Senator Jarvis, of the State of North Carolina.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Senator McLaurin, of the State of Mississippi.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Newton L. Blanchard, a United States Senator from the State of Louisiana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Stephen M. White, a United States Senator from the State of California.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James F. Wilson, a United States Senator from the State of Iowa.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Edward O. Wolcott, a United States Senator from the State of Colorado.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Senator Patton of the State of Michigan.

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Also Senator Stockbridge, of Michigan, recently deceased.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Now, Mr. Chapman, I understand you to refuse to testify anything whatever concerning any dealings your firm may have had for or on account of any of the persons whose names we have mentioned?

Mr. CHAPMAN. I do.

Senator ALLEN. As dealers in what are known as sugar stocks, pending the present tariff bill, since February 1, 1894, to the present time?

Mr. CHAPMAN. I do.

The CHAIRMAN. And also as to whether any of the persons named have had any dealings or not?

Mr. CHAPMAN. I decline.

The CHAIRMAN. Mr. Chapman, you have declined, in regard to all of the Senators now members of the body, to answer the questions put to you as to whether they have had dealings or not with your firm in the so-called sugar stocks, with the exception of Senator Brice. Why did you make that exception?

Mr. CHAPMAN. Simply because Senator Brice had expressly requested in writing that I make it—that I testify as to whether any operations had been conducted by us for his account, and coupled with the denial on his part, in writing, that he had bought or sold any so-called sugar stock; and I have thought proper under the circumstances to corroboate his statement so far as my house isconcerned.

The CHAIRMAN. Why would you not think it proper to accede to the request made by Senator Davis which in substance was the same?

Senator DAVIS. And I add a positive denial of any dealings, directly or indirectly, at any time, in any form or manner, in any of the so-called sugar stocks, and again request and insist that you answer as to me.

The CHAIRMAN. Do you decline still to answer that question as to Senator Davis?

Senator DAVIS. I make the denial here as explicitly as Mr. Brice, and I am willing to take the stand upon it, and again request and insist that the witness answer that question as to me.

The CHAIRMAN. Now, Mr. Chapman, do you still decline to answer the question as to Senator Davis?

Mr. CHAPMAN. I would like a little time to think of that before deciding whether to accede to the Senator's request or not.

Senator ALLEN. I make the same urgent and strong request that Senator Davis has made, and I deny most positively that I ever saw you or knew of your existence until yesterday, and never knew of the existence of your firm until I was appointed a member of the committee, and have never yet in my life put my foot in the city of New York.

Senator LODGE. I desire to say that I deny absolutely having dealt in such sugar stocks through Moore & Schley, or through any other firm of brokers, and request and insist that the witness testify in that particular as to me; and I now ask the question.

The CHAIRMAN. I assume, in Senator Lindsay's absence, to make the same request for every member of the committee. I certainly would make the same statement that Senator Brice has made, and I make the same statement as applicable to myself, precisely, of denial of buying or selling any one of the industrial stocks or any other stocks of any kind.

Senator ALLEN. Every member of this committee, Mr. Chapman, makes this request of you.

Mr. CHAPMAN. I request that I be given time to consider the matter before being asked to answer that question.

The CHAIRMAN. When Senator Brice was mentioned this morning, you spoke of being embarrassed.

Mr. CHAPMAN. Because of its being in violation of the general principles that I have laid down in answer to the question of the committee.

The CHAIRMAN. What induced you to violate that principle?

Mr. CHAPMAN. As I before stated, the request was here over the signature of the Senator and I felt as though the circumstances warranted my making that exception.

Senator ALLEN. Mr. Chapman, if each member of this committee had framed a request in writing, the same in substance as Senator Brice's, would you then have answered as to them?

Mr. CHAPMAN. I probably would, but I would like opportunity to consider the matter before definitely answering.

Senator LODGE. Is your objection to complying with our personal request just made to you that we did not put it in writing?

Mr. CHAPMAN. No, it is not.

Senator ALLEN. You give it the same force you do Senator Brice's, notwithstanding ours is verbal and his is in writing?

Mr. CHAPMAN. Yes, sir.

Senator ALLEN. Mr. Chapman, you may consider my name subscribed to Senator Brice's letter, and I now request and insist that you answer, as to me, the question you declined to answer.

Mr. CHAPMAN. I would beg the indulgence of the committee to consider the matter before answering.

Senator LODGE. What reason, if any, have you for making a distinction between our request and that of Senator Brice?

Mr. CHAPMAN. None, except that in the case of Senator Brice I have personally taken the responsibility of answering, without consultation with my partners, and before answering the question I would prefer to have that consultation.

The CHAIRMAN. Would you have answered the question in regard to Senator Brice, if you had thought you would be asked the same question in regard to every other Senator?

Mr. CHAPMAN. I don't think I would.

Senator DAVIS. Is not the reason of your refusal as to the members of the committee this, that if the same request were made to you by all the Senators, and you should accede to it and testify truthfully, by a process of exclusion you would reveal what Senators are upon your books as speculating in sugar stocks since the first of February, 1894?

Mr. CHAPMAN. I will have to decline to answer that question.

Senator ALLEN. Did you make a distinction between Senator Brice and the members of this committee who have made the same request of you, upon the idea that Senator Brice was known to be a speculator in stocks, to some extent, and members of the committee not?

Mr. CHAPMAN. No, I did not. Senator Brice has been charged in the public press with being a speculator in the stock of the American Sugar Refining Company, and I am not aware that any member of this committee has been so charged.

Senator LODGE. You know that other United States Senators aside from Senator Brice have been charged with speculating in sugar stock, don't you?

Mr. CHAPMAN. In the public press, yes.

Senator LODGE. Yes; in the public press. And you may state who they are who have been charged in the public press, as you have seen, as dealers in those stocks during the pendency of the bill.

Mr. CHAPMAN. I do not know that I could name them.

Senator LODGE. You can name some of them, can not you, besides Senator Brice? I am speaking now about those who have been charged in the public press with dealing in sugar stock, dabbling in sugar stocks, whatever you call it, not confining it to your firm at all.

Mr. CHAPMAN. I hardly think I could testify upon that question, as I do not know that their names are specially impressed upon my mind.

Senator LODGE. Have you conversed with any United States Senator since you were dismissed yesterday and before you came back this morning?

Mr. CHAPMAN. I decline to answer that question.

Senator LODGE. Well, upon what ground do you decline to answer it?

Mr. CHAPMAN. Upon the general ground that the committee is not authorized to ask it.

Senator LODGE. Does that concern your business? You speak of the privilege of your business confidence.

Mr. CHAPMAN. It might or it might not.

Senator LODGE. Mr. Chapman, you decline to answer our question in regard to Senators and state very explicitly a plausible ground of refusal, that these were business confidences and that your firm felt that they could not properly disclose the names. You are now asked whether you have conversed with any Senator, outside of this committee, since you arrived in Washington and since your dismissal yesterday and before your return this morning. You decline to answer that. It certainly can not be on the ground that it would tend to criminate you, and you are now asked whether it is on the ground that you have previously alleged, that it would be a disclosure of your business transactions?

Mr. CHAPMAN. It is such a disclosure of my private affairs as, in my judgment, is not warranted by the scope of the inquiry of this committee.

Senator ALLEN. Mr. Chapman, was the conversation you had with any Senator since your dismissal here yesterday and your return this

morning, with reference to anything pertaining to the business of your firm or in connection with your firm?

Mr. CHAPMAN. I have not stated that I have had any conversation.

Senator ALLEN. I will ask you if you did have any conversation with any United States Senator upon any subject since your dismissal yesterday as a witness and before your return here this morning?

Mr. CHAPMAN. I decline to answer that question.

Senator ALLEN. Upon what grounds do you decline to answer that question?

Mr. CHAPMAN. Upon the same ground as my declination to answer the previous one.

Senator ALLEN. Did you meet at a hotel or at any private room or place and engage in conversation with any United States Senator from the time you were dismissed yesterday until you returned as a witness this morning?

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Is it because you did meet some Senator that you decline?

Mr. CHAPMAN. I decline for the reason just stated.

Senator ALLEN. The reason just stated is that it would be disclosure of your business transactions—that whatever conversation you may have had during this period since yesterday would be disclosure of your private affairs which you think the committee has no right to inquire about?

Mr. CHAPMAN. That is it.

Senator LODGE. Did you consult counsel after leaving us, Mr. Chapman?

Mr. CHAPMAN. I did.

Senator LODGE. Who was that counsel?

Mr. CHAPMAN. Suppose I answer the question in this way: I consulted one of the leading members of the bar of the District of Columbia, but I do not know whether—I do not think without his consent, I ought at this time to name him in this examination.

Senator ALLEN. I will put you this question: Did you, after your dismissal yesterday as a witness here and before your return this morning, have any conversation with any United States Senator with reference to any business he might have transacted through your firm in speculating in what are known as sugar stocks during the consideration of the present pending tariff bill in the United States Senate?

Mr. CHAPMAN. I decline to answer that question.

Senator ALLEN. You decline to answer that. Did you meet, socially or in a business way, any United States Senator in this city during hat time?

Mr. CHAPMAN. I shall have to decline to answer.

Senator ALLEN. You decline to answer that. Since your dismissal yesterday, have you received instructions from your firm as to your conduct here as a witness as to what you shall disclose and what you shall not disclose?

Mr. CHAPMAN. I have received communications by wire from individual members of my firm.

Senator ALLEN. Did you have any communication any other way, in any other form, than by wire?

Mr. CHAPMAN. No; I did not.

Senator ALLEN. Have you in your possession now the messages that you received from your firm upon that subject?

Mr. CHAPMAN. I have.

Senator ALLEN. Will you produce them?

Mr. CHAPMAN. I decline.

Senator ALLEN. You decline to produce them; upon what ground do you decline?

Mr. CHAPMAN. Because they relate to the personal affairs of my firm and are not within the scope of the inquiry of this committee.

Senator ALLEN. Were they cipher messages or open messages written in full language?

Mr. CHAPMAN. Partly cypher and partly——

Senator ALLEN. Do these messages disclose the name of any United States Senator?

Mr. CHAPMAN. I decline to state.

Senator ALLEN. You decline to state upon the ground that it would reveal some Senator as a dealer in stocks through your firm?

Mr. CHAPMAN. Not at all. Upon the ground that it is an unwarranted inquiry into the private affairs of our firm.

Senator ALLEN. These messages, I understand you, Mr. Chapman, were in reference to your testimony here as a witness before this investigating committee, were they not?

Mr. CHAPMAN. Partially so.

Senator ALLEN. Have you any objection to producing and reading in the presence of the committee that portion of those messages referring to your conduct as a witness before this committee?

Mr. CHAPMAN. I have.

Senator ALLEN. Do these messages instruct you what you shall testify to and what you shall not disclose?

Mr. CHAPMAN. They relate to the general policy to be pursued in giving my testimony.

Senator ALLEN. Before this committee?

Mr. CHAPMAN. Yes. They outline the general policy I shall pursue.

Senator LODGE. Since you left this committee have you seen and talked with Mr. Macartney, or any member of the firm of Corson & Macartney, in this city?

Mr. CHAPMAN. I have.

Senator LODGE. They are your correspondents here, are they not? Did you consult with them in regard to this investigation?

Mr. CHAPMAN. I have had some general conversations with Mr. Macartney on this subject.

Senator LODGE. In regard to your business or private affairs?

Mr. CHAPMAN. Yes, sir.

Senator LODGE. You have now, Mr. Chapman, testified to the committee, without objection, that you met Mr. Macartney, a member of that firm, and talked with him in regard to the investigation and your private and business affairs. You still decline to say whether you talked with any Senator?

Mr. CHAPMAN. I do.

Senator LODGE. You have no objection, then, to stating that you met persons other than Senators, and you do not plead the privilege of your private affairs, but you object to testifying whether or not you met and talked with Senators.

Mr. CHAPMAN. My business headquarters when in Washington are at the office of Corson & Macartney, and the fact that I conversed with Mr. Macartney, our correspondent, I stated; but I do not feel called upon to testify as to other parties.

Senator LODGE. Why do you draw a distinction between conversa-

tion with Mr. Macartney about your private affairs and conversation with Senators?

Mr. CHAPMAN. I have not testified as to conversations, but only to the fact that I held a conversation with Mr. Macartney.

Senator LODGE. That is all I have asked you in regard to Senators. I had not asked what you said to Senators. I asked you whether you conversed with any Senators, the same question which I asked you in regard to Mr. Macartney.

Mr. CHAPMAN. I shall decline to answer that question, as before.

Senator LODGE. You decline to state why you are ready to testify that you met Mr. Macartney and why you decline to testify whether or not you met Senators?

Mr. CHAPMAN. I do.

Senator LODGE. On what grounds do you place your declination in the one case and your readiness to admit the conversation in the other?

Mr. CHAPMAN. On the ground before stated.

Senator LODGE. That is what?

Mr. CHAPMAN. The closeness of our relations with Mr. Macartney and the fact that it is well known that his office is my headquarters.

Senator LODGE. And that is your only reason for declining to answer when you are asked if you met any Senators?

Mr. CHAPMAN. I before stated why I declined to answer as to——

Senator LODGE. You said, if I remember, that you declined to answer in regard to meeting Senators because you considered that that concerned your private affairs. You since testified that you met Mr. Macartney and talked about private affairs and you make no objection to testifying to the fact of the conversation, not what was said. The point I desire to bring out is why you should be willing to testify to meeting a gentleman with whom you had entirely private conversation, in the one case, and refuse to testify about meeting or not meeting other gentlemen. Of course, if you can not give an answer to that, Mr. Chapman, so state.

Mr. CHAPMAN. I do not know that I can answer.

The CHAIRMAN. Mr. Chapman, you were asked awhile ago by Mr. Davis questions that were repeated by each member of the committee present, and I will ask you again as to Mr. Davis's several questions, which may be considered as repeated by every member of the committee as to himself, what your answer is to be, Mr. Davis's questions, in substance, being that he authorized, requested, and insisted that you should disclose whether he had any transactions in sugar stock through your firm during the period mentioned, or at any other time, and coupled with a statement similar to that of Mr. Brice that he had not, either directly or indirectly, bought or sold any such stock through your firm, or any other firm, or in any other way at any time, each of which statements was also made by each member of the committee for himself?

Senator DAVIS. And you are requested to answer this question as to each member of the committee separately.

Mr. CHAPMAN. Before answering that question I desire time to consider the matter.

The CHAIRMAN. How long do you want, Mr. Chapman?

Mr. CHAPMAN. I will appear before the committee on Monday morning.

The CHAIRMAN. That will not do, I do not think.

Senator DAVIS. I am disposed to insist upon an immediate answer to this question.

The CHAIRMAN. Do you make that motion?

Senator DAVIS. I do. I move that the witness be required to answer forthwith.

The CHAIRMAN. Is that the sense of the committee?

Senator ALLEN. That is my vote.

Senator LODGE. That is my vote.

The CHAIRMAN. It is the sense of the committee. The committee insists that that question shall be given to you; does not think that your request for time to consider is reasonable and would like to have an answer.

Mr. CHAPMAN. As before stated, I am but one of five partners constituting the firm of Moore & Schley, and I think, under all the circumstances, it is but reasonable that I should be given an opportunity to communicate with my partners before answering this question, and I ask the courtesy of the committee to that extent.

The CHAIRMAN. Is that your answer? Do you decline to answer the question otherwise than that? The committee has already passed upon the matter of giving time for the purpose of consultation or consideration.

Mr. CHAPMAN. It is now 1:15. Business closes in New York on Saturdays at 12 o'clock. It would be impossible for me to communicate with my partners and receive a reply before Monday morning, as they are probably now all in the country and the office is probably closed Under all these circumstances I still insist that my request is reasonable and I trust the committee will coincide with my view.

Senator ALLEN. You still decline to answer the question?

Mr CHAPMAN. I do.

Senator LODGE. I want to ask one other question on the line upon which I was asking before. When you had the conversation with Mr. Macartney, in regard to which you testified, were any Senators present?

Mr. CHAPMAN. That I decline to answer.

Senator ALLEN. Right there, Mr. Chapman; did you see any Senator go into or out of the office of Mr. Macartney yesterday or this morning?

Mr. CHAPMAN. I decline to answer that.

Senator ALLEN. Or see any there in conversation?

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. You decline to answer that. Did you have any conversation yourself with any Senator there?

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Let me ask if there has not been a systematic, organized attempt upon the part of yourself and upon the part of the members of your firm and others connected with or engaged in the same line of business to studiously suppress the names of all Senators who have been speculating in these sugar stocks during this time?

Mr. CHAPMAN. I am not aware of such organized attempt.

Senator ALLEN. Was not your conversation in the presence of a United States Senator yesterday and this morning also to that effect, and that you, under no circumstances, should disclose the name of any of the Senators?

Mr. CHAPMAN. I have not testified to any conversation with Mr. Macartney in the presence of a United States Senator.

Senator ALLEN. You decline to say that there was a United States Senator there. The committee therefore infers that there was a United States Senator there, and upon that supposition I am asking you to state if it were not determined among you at that time that you should under no circumstances disclose before the committee the name of any

Senator who has dealt in these stocks through your firm during the period we have mentioned here?

Mr. CHAPMAN. I decline to state to the committee. I decline to rehearse to the committee any conversations I may have had with Mr. Macartney or other parties.

Senator ALLEN. Now, do not the dispatches and communications you have received from the members of your firm since you have been here impress upon you the necessity of studiously secreting the names of all United States Senators who may have dealt in these stocks through your firm? Is not that the central idea of the dispatches and communications you have received and the conversations that have been had with you?

Mr. CHAPMAN. I decline to reveal the contents of any dispatches I may have received.

Senator ALLEN. Did not this conversation you had with Mr. Macartney, of which you speak, since your dismissal as a witness yesterday, relate to your testimony here and the necessity of your secreting the names of Senators who may have dealt with your firm either here or in New York?

Mr. CHAPMAN. I decline to state.

Senator ALLEN. You decline to state that. Was that subject under discussion between you and Mr. Macartney?

Mr. CHAPMAN. I decline to state.

Senator LODGE. Have you a private wire from that office over to your office in New York?

Mr. CHAPMAN. Yes.

Senator ALLEN. What is your part of the business of Moore & Schley? What part do you attend to when you are in New York engaged in business?

Mr. CHAPMAN. All parts.

Senator ALLEN. I do not know anything about the stock exchange. Do you attend meetings of the stock exchange?

Mr. CHAPMAN. I am a member of the stock exchange. I am not on the floor of the stock exchange continuously. One of our partners, Mr. William H. Duff, is also a member of the stock exchange. He is always upon the floor, or is generally upon the floor, and I am occasionally.

Senator ALLEN. You are, a part of the time?

Mr. CHAPMAN. Occasionally.

Senator ALLEN. The man who is on the floor of the stock exchange, what particular name do you give him? He is what—operator? or what is he named?

Mr. CHAPMAN. Well, he is the board-room member of the firm.

Senator ALLEN. The board-room member of the firm?

Mr. CHAPMAN. He is on the board all the time.

Senator ALLEN. You do that business part of the time and are at the meetings of the stock exchange frequently, are you not?

Mr. CHAPMAN. I am frequently on the floor.

Senator ALLEN. You know the members of the stock exchange, those who own seats there?

Mr. CHAPMAN. I know a great many of them.

Senator ALLEN. Do you know the name of any United States Senator who owns a seat on the stock exchange?

Mr. CHAPMAN. I do not recollect any; I do not know of any.

Senator ALLEN. You do not know of any. Have you in your possession at this moment any written communication from any United

States Senator bearing upon the subject now under investigation, received to-day or yesterday, or at any time prior to that?

Mr. CHAPMAN. I have not, but I do not know but answering this question is a violation of the rule I have laid down.

Senator ALLEN. Have you received, since you have been in this city to testify before this committee, any written communication in any form, dispatch, letter, note, or memorandum, from any United States Senator, bearing in any manner upon this investigation or that has relation to it, or to what you shall testify when you are here?

Mr. CHAPMAN. I have not; but I deny your right to question me upon this subject.

Senator ALLEN. Have you destroyed any such communication, note, memorandum, letter, or dispatch?

Mr. CHAPMAN. I make the same answer as to the last question.

Senator ALLEN. Mr. Chapman, you say you have a private wire from Washington to New York at your office. Is there any person in the employment of the United States Government at Washington who furnishes you information as to the probable passage or defeat of measures before Congress?

Mr. CHAPMAN. Not to my knowledge.

Senator ALLEN. Not to your knowledge. Are there any persons in the service of the United States Government now as officers, outside of United States Senators, who are engaged in dealing in these stocks through your firm?

Mr. CHAPMAN. I decline to answer that question.

Senator ALLEN. You decline to answer that. All right, sir. That is all.

SWORN TESTIMONY OF MORGAN R. ROSS.

Senator ALLEN. Where do you reside?

Mr. ROSS. At the Arlington Hotel.

Senator ALLEN. How long have you resided there?

Mr. ROSS. Nearly three years.

Senator ALLEN. What is your business?

Mr. ROSS. I am room clerk.

Senator ALLEN. As room clerk, what duties do you discharge?

Mr. ROSS. My principal duty is to receive and look after the guests in general.

Senator ALLEN. If a gentleman comes to your hotel to call on some guest, it is your duty to see that he is shown to the room where the guest is?

Mr. ROSS. Yes, sir.

Senator ALLEN. Are you what is known as the front clerk?

Mr. ROSS. No, sir; I am not front clerk. I am room clerk.

Senator ALLEN. Do you know Mr. H. R. Reed?

Mr. ROSS. Yes, sir.

Senator ALLEN. Mr. H. L. Terrell?

Mr. ROSS. Yes, sir.

Senator ALLEN. Mr. Henry O. Havemeyer?

Mr. ROSS. I have seen Mr. Havemeyer once.

Senator ALLEN. Mr. Walter Gaston, who has just testified here?

Mr. ROSS. Yes, sir.

Senator ALLEN. Do you remember who had rooms 33, 34, and 35 at the Arlington Hotel on the 6th and 7th of March, this year?

Mr. ROSS. Mr. Gaston had room 33 and Mr. Terrell had rooms 34 and 35.

Senator ALLEN. Do you know Mr. Terrell's business, in a general way?

Mr. ROSS. I do not, any more than he is a banker and broker, I understand.

Senator ALLEN. In New York?

Mr. ROSS. So I understand.

Senator ALLEN. And do you know his office in New York?

Mr. ROSS. No, sir.

Senator ALLEN. How long has Mr. Terrell been at the Arlington Hotel this winter, and when did he come here?

Mr. ROSS. The exact date he came first I do not know. I took a memorandum from the ledger just before leaving home and I find he came in on the evening of March 2. At that time he was there from March 2 to March 21.

Senator ALLEN. Then he left?

Mr. ROSS. Yes, sir; he went away.

Senator ALLEN. When did he come back?

Mr. ROSS. When he came back on his visit after that, I did not make a memorandum of it.

Senator ALLEN. However, he is there now, and has been there for some time?

Mr. ROSS. He has been there since yesterday morning this last time, and he is in and out.

Senator ALLEN. Do you remember of any persons being in Mr. Terrell's rooms on the night of the 6th or 7th of March, 1894, either or both nights?

Mr. ROSS. I do not. The night of the 6th I was off duty; the night of the 7th I was on duty. I do not remember anyone in particular.

Senator ALLEN. During the time Mr. Terrell was occupying these rooms I have mentioned, were any United States Senators shown to his rooms?

Mr. ROSS. Not that I am positively aware of. Cards are sent to the rooms and we do not notice the names on any of them. We simply mark them and send them up.

Senator ALLEN. You are acquainted with some Senators by sight if not by name?

Mr. ROSS. Yes, sir.

Senator ALLEN. During that time did you see any Senators go to these rooms, or know of any persons who had Senators in their rooms during that time?

Mr. ROSS. Not that I remember.

Senator ALLEN. Do you mean to say that possibly some Senators may have gone to that room whose names you have forgotten?

Mr. ROSS. It is possible. There are so many people who come in and make calls, and where people are in the house permanently, as Mr. Reed and Mr. Terrell are, they go directly to the room and do not come by the office.

Senator ALLEN. Do you know whether any Senators have been taken to the rooms or shown to the rooms of Mr. Terrell without announcement by card?

Mr. ROSS. Not that I am aware, but it is possible.

Senator ALLEN. Who would know those facts?

Mr. ROSS. There is no one that I could suggest, because in a case like that of Mr. Terrell and other people in the house people come right in and go directly to their rooms and do not send up cards at all.

Senator ALLEN. Do you know John S. Shriver?

Mr. ROSS. Yes, sir; I know Mr. Shriver.

Senator ALLEN. A newspaper correspondent?

Mr. ROSS. Yes, sir; I know him.

Senator ALLEN. And also Harry Walker, a newspaper correspondent?

Mr. ROSS. Yes, sir.

Senator ALLEN. Did you ever say to them, or hear Mr. Roessle say to them, that Senators were in the habit of visiting the members of the sugar trust there in your hotel, and they were taken up the back elevator?

Mr. ROSS. No, sir; I never heard such a thing.

Senator ALLEN. I ask you to state if Senators have been taken up the back elevator, to your knowledge, to the rooms of either Mr. Havemeyer, Mr. Reed, Mr. Terrell, or any of these members of the sugar trust?

Mr. ROSS. To my knowledge, no. To the best of my belief, no. In the first place, we have not any back elevator. In the second place, the back stairs is simply where the help goes up.

Senator ALLEN. Possibly your attention may have been called to an article appearing in newspapers recently in which this statement occurred?

The CHAIRMAN. It is Harry Walker's evidence published in the papers.

Mr. ROSS. Yes, sir.

Senator ALLEN. You say there is no truth in that statement?

Mr. ROSS. No, sir; there is no truth in it.

Senator ALLEN. Do you in any form know the business that Mr. Terrell and Mr. Reed and Mr. Havemeyer represent here in Washington?

Mr. ROSS. No, sir. I know that Mr. Reed is in the sugar refining business, but as to Mr. Terrell I do not know anything about him.

Senator ALLEN. Do you know whether any persons were in the habit of visiting these gentlemen in their rooms while they were guests in your hotel?

Mr. ROSS. No one in particular that I can remember.

Senator ALLEN. Do you remember of a meeting at night occurring there in Mr. Terrell's room, possibly No. 34, where the members of the sugar trust, Mr. Havemeyer, Mr. Reed, Mr. Terrell, and certain U. S. Senators, Senator Smith and Senator Brice among them, were having a kind of a champagne party?

Mr. ROSS. The night that was supposed to be I was not on duty, and I do not know anything of it at all.

Senator ALLEN. Who was on duty that night?

Mr. ROSS. Mr. Burney.

Senator ALLEN. What are his initials?

Mr. ROSS. Hamilton P. Burney.

Senator ALLEN. And that was what night?

Mr. ROSS. The night it was said to be I think was the 6th of March.

The CHAIRMAN. Who said it to be?

Mr. ROSS. The date that is given.

The CHAIRMAN. Said to be by whom?

Mr. ROSS. The newspapers gave that.

Senator ALLEN. Did anything of that kind occur at any other time that you know of?

Mr. ROSS. Nothing to my knowledge.

Whereupon, at 1 o'clock and 45 minutes p. m. the committee adjourned until Monday *morning, June 11, 1894*, at 12 o'clock m.

WASHINGTON, D. C., *June 11, 1894.*

The committee met pursuant to adjournment.

Present: The Chairman (Senator Gray), Senators Lindsay, Lodge, Davis, and Allen.

CORRECTION BY SENATOR DONELSON CAFFERY.

Senator Caffery appeared before the committee with the statement that he wished to amplify a certain portion of his testimony.

Senator CAFFERY. On page 55 of the report I am reported to say that I was requested to see Mr. Havemeyer, who happened to be in the house. The manner in which Mr. Havemeyer happened to be there I did not set out, and I will now set that out.

Senator LINDSAY. You had better state at what house.

Senator CAFFERY. I stated here that Mr. Havemeyer was at Mr. Brice's, and I happened to meet him there, or he happened to be at the house where I was. I now read the testimony:

I was requested to see Mr. Havemeyer, who happened to be in the house.

Prior to seeing Mr. Havemeyer there was a discussion between those present and Senator White and myself as to the comparative merits of the ad valorem and specific rates of duty on sugar. There was a great deal of difference of opinion on this point, and Senator Brice stated that there was a gentleman in the city at the Arlington Hotel who knew more about, or who ought to know more about, the operation of any rate of duty on sugar than perhaps any other man in the United States, and that if it were agreeable he would send for him. That man was Mr. Havemeyer, who was then, according to Mr. Brice's statement, at the Arlington Hotel. Senator Brice desired to know of me if I had any objection to meeting Mr. Havemeyer and having a discussion with him on this particular point. I told him I had not. The discussion went on——

The CHAIRMAN. Did Mr. Brice send for him and tell him that suggestion?

Senator CAFFERY. Yes, sir.

The CHAIRMAN. Did Mr. Havemeyer arrive afterward?

Senator CAFFERY. He did.

The CHAIRMAN. Was it then that you had a discussion with him in a room by yourself?

Senator CAFFERY. It was then that I had a discussion with him in a room by myself in Mr. Brice's library, where I was invited by Mr. Brice to meet Mr. Havemeyer and discuss this sugar schedule with him on the point of the ad velorem and specific rate. I simply desire to state that Mr. Havemeyer came to the House in pursuance of the invition of Mr. Brice, as above stated.

The CHAIRMAN. Is that all you wish to add?

Senator CAFFERY. That is all I wish to add.

SWORN TESTIMONY OF HENRY R. REED.

The CHAIRMAN. Where is your residence?

Mr. REED. Boston.

The CHAIRMAN. What is your age?

Mr. REED. I am 56.

The CHAIRMAN. What is your occupation?

Mr. REED. I am a member of the firm of Nash, Spaulding & Co., sugar importers, and I am also one of the owners of the Revere Sugar Refinery, an independent company in no way connected with the trust, but a competitor of it.

The CHAIRMAN. Where is the business of that refinery carried on?

Mr. REED. The refinery is located in East Cambridge, which is across the river. The place of business is Boston.

The CHAIRMAN. Have you been in Washington in connection with the business of the trust?

Mr. REED. I have not been in Washington in connection with the business of the trust.

The CHAIRMAN. Or in connection with the sugar-refining interest?

Mr. REED. I have been here in my own interest only. I am not a member of the trust, nor in their counsel or confidence. I have been here for my own interest only; no other.

The CHAIRMAN. Have you been here in the interest of your refining business?

Mr. REED. Yes, sir; purely. The inference has gone out through the country that I am here for the so-called sugar trust. That is not so. I am here solely in my own interest.

The CHAIRMAN. How long have you been here in Washington this winter and spring?

Mr. REED. I have been here various times, and I think I have been here a very large proportion of the time since February. I have been back and forth during that time.

The CHAIRMAN. Where has been your home while you were here?

Mr. REED. At the Arlington.

The CHAIRMAN. Have you had occasion to see Senators, during the pendency of this tariff bill in the Senate, in regard to the interests that you represent?

Mr. REED. I have.

The CHAIRMAN. Whom have you seen?

Mr. REED. I have seen several of them. I called on Senator McPherson. I called on Senator Voorhees. I also called on Senator Jones, and had two or three interviews with him.

The CHAIRMAN. With Senator Jones?

Mr. REED. Yes, sir.

Senator DAVIS. Enumerate all you have seen.

Mr. REED. I do not know that I can do that. I have seen Senator Brice. I have known him for a very long time. I have talked with Senator Aldrich very frequently about it. I have seen Senator Platt, who live at the hotel. I do not know that I have had any special conversation with anybody else with reference to it. I do not think of anybody else now.

The CHAIRMAN. What was the subject of the conversation, and what was the line of communication between you and them, so far as this legislation is concerned?

Mr. REED. So far as this legislation is concerned I should say, or so far as this schedule is concerned, and I have had no consultation on any other subject, having no interest in any other, I should say I have had more conversation with Senator Jones than any other Senator for the reason that when I first called on him he asked me a great many questions about the business. He asked for facts and figures and I had to get them. I obtained them for him from our own books and gave him facts and figures relating to the business, of a very confidential nature, and I

gave them to him that he might form his own judgment about the matter.

The CHAIRMAN. What do you mean by "of a very confidential nature?"

Mr. REED. I mean figures of a nature we do not give in our business to anybody, with relation to the cost of manufacture and the yields, which are secrets generally in the business, and secrets that I do not know about any other refinery except my own, and never have.

Senator DAVIS. You mean to say you gave information of a confidential nature in regard to the margin of profits, etc.

Mr. REED. The question of profits did not come into it.

Senator DAVIS. Was that fairly deducible from the information you gave?

Mr. REED. I should think so. In other words, I gave him all the information that was in my power that he asked for.

The CHAIRMAN. What was that information so given designed to accomplish?

Mr. REED. It was designed to enable him to form a fair estimate for himself of what equitable treatment would be.

The CHAIRMAN. What result did you have in mind in giving him this information?

Mr. REED. Just that result; no other.

The CHAIRMAN. What result, beneficial to your business?

Mr. REED. Naturally. The object I had in giving the information was that he might form his own opinion as to what was proper. I never asked Senator Jones——

The CHAIRMAN. "As to what was proper?" What do you mean by that?

Mr. REED. As to what would be the difference between ruin and the reverse of it.

The CHAIRMAN. Did you contend there were certain rates that would be ruinous?

Mr. REED. I contended that the bill as it came from the House, free raw and free refined, meant ruin to me and my business.

The CHAIRMAN. Did you use any other argument?

Mr. REED. No, sir.

The CHAIRMAN. Or urge any other consideration with him for this matter?

Mr. REED. No, sir; nor have I with anybody.

The CHAIRMAN. You say you did not with him?

Mr. REED. No, sir.

The CHAIRMAN. Nor anybody else?

Mr. REED. Nor anybody else.

The CHAIRMAN. Did you use any statement as to the indebtedness of the Democratic party, or of any party, to the sugar trust for contributions by them to the campaign fund of either party?

Mr. REED. Never. I never referred to it with anybody since I have been in Washington, and do not expect to.

The CHAIRMAN. Then, you say, in your interviews with these various Senators you urged upon them only those considerations which pertain to your business and to the manner in which legislation was affected?

Mr. REED. That is all. I simply appealed for reasonably fair treatment at the hands of fair men, and I endeavored to show them what that meant, and I have not discussed the question from any political standpoint.

The CHAIRMAN. Did you ever make any contribution to either political party, or any political party, with a view to influencing legislation?

Mr. REED. Never. I have been a contributor to the Democratic party for a great many years, in a modest way, and expect to do so as long as I remain a member of it and can afford it. I never referred to that subject. I never asked any favors of anybody, the party collectively or individually, and never expect any on that ground, and do not ask them. In other words, I am not here to ask favors of anybody on any ground whatever.

The CHAIRMAN. Do you know Mr. Terrell?

Mr. REED. Yes, sir; very well.

The CHAIRMAN. In speaking of his presence here in Washington from the 2d of March to the 21st, and possibly covering other periods of time, he says:

My room was No. 34 during the time that Mr. Gaston was there. There were frequent conversations in my room in regard to sugar, no doubt. In fact, it happened possibly nearly every evening. Mr. Havemeyer was here at the time, and also Mr. Reed, of Boston, was here at the time, and none of us had our families here, and usually after dinner we met in somebody's room; in Mr. Havemeyer's sometimes, sometimes in Mr. Reed's room, and sometimes in my room.

Do you recollect a meeting of the kind he refers to?

Mr. REED. I was a frequent visitor in Mr. Terrell's room.

The CHAIRMAN. Did you meet Mr. Havemeyer there?

Mr. REED. Yes, sir; several times.

The CHAIRMAN. Did you meet him often?

Mr. REED. Yes, sir; several times, I should say.

The CHAIRMAN. How often, would you say?

Mr. REED. I can not answer that; I can not say.

The CHAIRMAN. From the 1st of March up to the present time?

Mr. REED. I can not say. Mr. Havemeyer was not here a great while.

The CHAIRMAN. Did you discuss the question of the sugar interest as affected by the proposed tariff legislation?

Mr. REED. Yes, sir; there was more or less conversation about sugar, naturally, but I did not know that Mr. Terrell was in Washington in the interest of sugar, although it was talked about in his room.

The CHAIRMAN. Do you recollect being present in Mr. Terrell's room about the 7th of March?

Mr. REED. Mr. Chairman, I can not testify to dates, because I do not know about dates.

The CHAIRMAN. Early in March, when Senator Brice and Senator Smith were there, as well as Mr. Terrell and Mr. Havemeyer?

Mr. REED. I can not swear to any dates, because I have not kept any record and have no recollection of them. I met Senator Brice in Mr. Terrell's room on one or two occasions. I am not certain whether he and Mr. Havemeyer were there together. Very likely they were. I am inclined to think I saw Mr. Smith there once only.

The CHAIRMAN. Was Senator Brice there when you saw Senator Smith there?

Mr. REED. That I can not say.

The CHAIRMAN. Was Mr. Havemeyer there?

Mr. REED. I think so.

The CHAIRMAN. Were you there on one occasion when Mr. Havemeyer was explaining different grades of sugar to Senator Brice with specimens on the table before him?

Mr. REED. No, sir. I heard no explanation of the grades of sugar at any such time. I have no recollection of that.

The CHAIRMAN. So far as you can recollect, what was the subject of conversation?

Mr. REED. I should say the chief subject of conversation was sugar and the proposed sugar tariff, whatever it was at that time. I do not remember now, there have been so many changes in it.

The CHAIRMAN. Were your views and Mr. Havemeyer's identical?

Mr. REED. They were similar. I did not participate in any special conversation there. There was no conference—I never was invited to any conference there in regard to that matter, or anywhere else.

The CHAIRMAN. Do you recollect the occasion when Senator Smith was there who were present?

Mr. REED. No, sir; I do not.

The CHAIRMAN. How do you recollect his being there?

Mr. REED. It is only an impression in my mind. I think he was there, but I am not certain.

The CHAIRMAN. Do you recollect anything he said, or anything that was said to him?

Mr. REED. No, sir; I do not. I never exchanged a word with Senator Smith with regard to sugar in my life.

The CHAIRMAN. Was anything said on this occasion by anybody else than yourself—you have stated as to yourself—by Mr. Havemeyer or anyone else, in the presence of Senator Brice or Senator Smith, or any other Democratic Senator, in regard to the obligations of the Democratic party for campaign contributions?

Mr. REED. No, sir.

The CHAIRMAN. Individually or otherwise?

Mr. REED. I never heard it referred to by anybody.

The CHAIRMAN. Do you recollect being there when champagne was being drunk in Mr. Terrell's room?

Mr. REED. No, sir.

The CHAIRMAN. Or Scotch whisky and Apollinaris water?

Mr. REED. Oh; I would not say there was not. There may have been. I will not testify there was not; but as I do not drink I could not swear there was.

The CHAIRMAN. Mr. Gaston speaks of a certain evening when he overheard persons whom he supposed, from what they said, were interested in the refining business, explaining the nature of their demands for tariff legislation; and he also says on that evening he heard what he supposed were champagne corks. I think someone else suggested that Apollinaris and Scotch whisky may have accounted for the noise. Do you remember an occasion when either of them were there?

Mr. REED. I should not like to swear what beverages were in anybody's room as far back as the 7th of March, because I do not tax my memory with those things.

The CHAIRMAN. I only ask that as one method of ascertaining if what Mr. Gaston speaks of could be identified in that way. Do you recollect any occasion when you were in Mr. Terrell's room when Mr. Havemeyer was present with tin boxes of sugar explaining to Senator Brice, or to anyone else, the commercial status of the different grades or its process of manufacture, and when Mr. Smith came in afterwards looking for Senator Brice?

Mr. REED. No, sir; I do not.

The CHAIRMAN. You do not remember being present on such an occasion as that?

Mr. REED. I do not remember any incident of that nature; that is, I do not remember of listening to Mr. Havemeyer explaining the character of the different grades of sugar.

Senator DAVIS. Your memory is not refreshed by this detail of the boxes of sugar?

Mr. REED. No, sir; I do not know that the samples were not there on the table. They may have been there, but they were not specially discussed in my presence or at any time when I was in there.

The CHAIRMAN. My recollection of Mr. Terrell's testimony on that point is that he thinks Senator Smith came in after Mr. Havemeyer had gotten through and had put the boxes away. Do you recollect who were there when Senator Smith came in, or anything about it, or the circumstances; what was said by him or anybody else?

Mr. REED. No, sir; I do not.

The CHAIRMAN. Was Mr. Smith in evening dress?

Mr. REED. I can not tell you. I do not remember any incident of that nature. As I say, I never heard Senator Smith discuss the sugar question.

The CHAIRMAN. You have told us of your business there, and, of course, that ought to be an answer to the question I put to you. Are you in any way a stock broker or banker?

Mr. REED. No, sir; in no way.

The CHAIRMAN. Do you know of any Senator of the United States engaged in speculation in sugar certificates or stock, or whatever they call them?

Mr. REED. I have no knowledge whatever on that point. I have never had reason to suppose that anyone did.

The CHAIRMAN. Were you ever in the Capitol, or any room of the Senate wing of the Capitol, during the pendency of this bill, just before or just after or about the time that the bill was reported from the Finance Committee, with Mr. Havemeyer, Mr. Terrell, Mr. Ben LeFevre, and others?

Mr. REED. Never.

The CHAIRMAN. Were you ever here about the time I have stated, with anybody in the Capitol, or any committee room of the Senate, waiting for the schedule to be made up?

Mr. REED. I do not know that I was ever inside of this building on Sunday. I certainly have not been inside of it on Sunday since this session began.

The CHAIRMAN. Have you ever been in any committee room with the gentlemen named, or with others interested in the sugar schedule, awaiting the action of the Finance Committee or of the subcommittee of that committee?

Mr. REED. Awaiting their action?

The CHAIRMAN. Yes, sir.

Mr. REED. Never.

The CHAIRMAN. Have you ever been before the Finance Committee or any subcommittee in this Capitol?

Mr. REED. I have not—not at this session.

The CHAIRMAN. You have been before at other sessions?

Mr. REED. I think I have. I have been before the Ways and Means Committee of the House during previous sessions.

The CHAIRMAN. About your own interests?

Mr. REED. About my own interests, and no other. I have never appeared for any other. I do not know that I have ever appeared before the Finance Committee. I certainly have not at this session.

The CHAIRMAN. Were you at Senator Brice's house on any occasion when Senator Caffery and Senator White were there, and Mr. Havemeyer, Senator Gorman, and Senator Hill?

Mr. REED. I never met Senator White; I do not know Senator White. I never met Mr. Havemeyer in Senator Brice's house. I have been a

very frequent visitor at Senator Brice's house. I have been in the habit of going there very frequently.

Senator DAVIS. Were you there on any evening when Senator Hill and Senator Gorman were present?

Mr. REED. I called in there one evening, I think as Senator Hill was going out the door.

The CHAIRMAN. How long ago was that?

Mr. REED. A long while ago.

The CHAIRMAN. This spring?

Mr. REED. Very early.

The CHAIRMAN. Do you mean very early in the evening?

Mr. REED. No, sir; early in the consideration of the sugar schedule by the Senate, or the tariff bill by the Senate at least. I could not say what month. I can not fix the date, as I am in the habit of going there very often. I went into Senator Brice's library. I found Senator Caffery there and no one else, as I remember.

The CHAIRMAN. Was Mr. Havemeyer there on that occasion?

Mr. REED. No, sir; I never saw him inside Senator Brice's door.

Senator DAVIS. While you were here in the interest of your business were you advocating the specific or ad valorem duty on sugar?

Mr. REED. I have uniformly advocated an ad valorem duty, always since I can remember.

Senator DAVIS. Is the present sugar schedule now in the Senate bill, as proposed by the subcommittee, in accordance with the views you advocated, the general lines?

Mr. REED. The question of how much duty——

Senator DAVIS. I am not talking about amounts, but the general line of the present measure that is before the Senate, so far as it has gone and been adopted, has it been in accordance with the views you have been advocating?

Mr. REED. Except that I have advocated a larger differential duty on sugar above 16.

Senator DAVIS. With that exception, it is in accordance with the views you have been advocating here?

Mr. REED. The ad valorem, without any regard to what it should be. If there is to be a duty, I have been advocating it.

Senator DAVIS. And in accordance with the views of the other gentlemen whose views are similar to those advocated by you in regard to your own interest?

Mr. REED. I should think so. There have been differences of opinion between the managers of the American Sugar Refining Company and myself on those points.

Senator DAVIS. Those points you have detailed?

Mr. REED. Yes, sir; the amount.

The CHAIRMAN. Is the present schedule, which I understand to be 40 per cent and a differential of an eighth of a cent per pound, is that the duty advocated by you in the sugar interest?

Mr. REED. I can hardly say it is advocated, because we have hoped for better treatment.

The CHAIRMAN. Is that amount demanded as necessary for the protection of your interest?

Mr. REED. I have said that that at least was absolutely necessary.

Senator DAVIS. That you wanted more on those lines?

Mr. REED. Yes, sir. This is, of course, giving in my judgment poorer treatment to this industry than almost any other received in the bill. Of course that is a matter of opinion, because I am not familiar with the others as I am with my own, and as I know my own interests.

Senator DAVIS. Did you advocate the repeal of the bounty upon sugar?

Mr. REED. I never had anything to say upon that question.

Senator DAVIS. Had you any conference with the Louisiana Senators in regard to this question?

Mr. REED. The only time I have ever met one of the Louisiana Senators was the evening I referred to when I happened to call on Senator Brice.

Senator DAVIS. That was Senator Caffery?

Mr. REED. I saw Senator Caffery there without any previous arrangement. I had no knowledge of his being there.

Senator DAVIS. Did you confer with him about this sugar question on that occasion?

Mr. REED. Very little was said. He left very soon after I came in.

Senator LODGE. I may possibly repeat some questions that have already been asked, as I have not been present during the whole of your examination. You are a member of the firm of Nash, Spalding & Co.

Mr. REED. Yes, sir.

Senator LODGE. And they are sugar refiners?

Mr. REED. They are sugar refiners.

Senator LODGE. They are not members of the American Sugar Refining Company?

Mr. REED. No, sir; they are not members of the American Sugar Refining Company.

Senator LODGE. Do you run in competition with them or in harmony with them?

Mr. REED. We are competitors. There is no harmony in the sense of being any agreements of any kind between them and ourselves. It may be proper for me to say that the firm of Nash, Spalding & Co. is and has been for a very long time very considerable owners of the stock of the American Sugar Refining Company. I say that because I do not want there to be any misapprehension about my position. But it is not that ownership in any sense that prompts me to be here. I can sell that ownership between now and to-morrow at 12 o'clock, if I wish to, and get out of it; but I can not sell my refinery nor my business; nor can I transfer it to Cuba or Canada, as I should have to do. If you have free raw and free refined I can not pursue my business in this country. You can not take a refinery up and transplant it somewhere else.

Senator LODGE. But the interests you have advocated here are ruin to the sugar-refining industry?

Mr. REED. Yes, sir; what would be ruin to me would be ruin to them, naturally.

Senator LODGE. I understood you to say when I first came in that you had not seen members of the Finance Committee in regard to it?

Mr. REED. Not collectively. I said before you came in that I had called on two or three of them. Separately I have, but I have not appeared before the committee nor a subcommittee as such.

Senator ALLEN. You say the name of your firm is Nash, Spaulding & Co.

Mr. REED. Yes, sir.

Senator ALLEN. Where is your refinery?

Mr. REED. In East Cambridge. Our place of business is in Boston.

Senator ALLEN. Have you more than one refinery?

Mr. REED. Only one.

Senator ALLEN. How many refineries are there in the United States?

Mr. REED. I could not answer that question offhand; I do not know. Outside of the American Sugar Refining Company, or the so-called trust, there are four that I think of, what are called independent refineries; that is, that are in no way connected with the trust, so far as I know.

Senator ALLEN. Where are they located and what are their names?

Mr. REED. There is one in Brooklyn, Mollenhauer is the name. I do not know the style of the house. There is one in Yonkers. There is the McCann in Philadelphia, and our own house.

Senator ALLEN. Do you know whether any of these others that you have named hold any stock in the American Sugar Refining Company?

Mr. REED. I do not.

Senator ALLEN. Your firm, however, holds considerable stock?

Mr. REED. We have quite an amount of stock.

Senator ALLEN. I understand the American Sugar Refining Company to be capitalized at how many millions?

Mr. REED. About $75,000,000, or $37,000,000 of each class of stock at present. The authorized amount is $75,000,000 of the two classes of stock.

Senator ALLEN. What are those two classes of stock?

Mr. REED. Preferred and common.

Senator ALLEN. Please explain as briefly as you can the difference between preferred and common stock.

Mr. REED. The preferred stock can receive no more than 7 per cent per annum. The dividends that may be declared on the common are uncertain—according to what the profits of the business may be.

Senator ALLEN. The preferred stock is guaranteed stock?

Mr. REED. No, sir; it is not guaranteed; it is preferred. It is cumulative preferred stock and the dividend is accumulative.

Senator ALLEN. And whenever you go beyond 7 per cent the common stock takes that, if there is any left?

Mr. REED. That is the idea.

Senator LINDSAY. And as much as there is left?

Mr. REED. Yes, sir.

Senator ALLEN. This stock is subject to be suddenly retired or increased?

Mr. REED. I do not so understand; I think not.

Senator ALLEN. It can be retired or increased by the mere caprice of some officer of the company, can it?

Mr. REED. I can not give a legal opinion on that subject, but my impression is that it can not be increased or diminished except by a vote of the shareholders.

Senator ALLEN. I am speaking now about whether or not, as a matter of fact, it is.

Mr. REED. It has never been done, and I assume it can not be without a vote of the shareholders.

Senator ALLEN. What do you understand to be the meaning of "bubble stock?"

Mr. REED. I do not know.

Senator ALLEN. You have heard the expression, have you not?

Mr. REED. Of "bubble stock?"

Senator ALLEN. Of "bubble stock."

Mr. REED. I do not know that I have. It does not convey any meaning to me.

Senator ALLEN. Does it convey the idea that certain stock is used upon the markets, the fluctuating markets, to create a condition of fluctuation?

Mr. REED. I do not know that.

Senator ALLEN. Are you a dealer in stock of any kind?

Mr. REED. No, sir; except as a buyer of them sometimes.

Senator LODGE. Is it all paid-up stock.

Mr. REED. This?

Senator LODGE. Yes.

Mr. REED. What do you mean?

Senator LODGE. Is this all paid-up stock.

Mr. REED. No, sir.

Senator LODGE. Part of it is bonus?

Mr. REED. Yes, sir; when it was originally created.

Senator ALLEN. What portion of the $75,000,000 of the American Sugar Refining Company's stock is paid up?

Mr. REED. Those questions I could not undertake to answer. The officers can answer that question.

Senator ALLEN. What portion of this stock does your firm hold?

Mr. REED. Quite a considerable amount of it.

Senator ALLEN. I do not mean the exact number of dollars, but relatively what proportion of it?

Mr. REED. It is a small proportion, naturally, of the aggregate amount.

Senator ALLEN. Probably two or three millions, or more?

Mr. REED. I should not care to say how much of it we own. I say we own a considerable amount.

Senator LODGE. Not a controlling interest?

Mr. REED. By no means. I am informed, but I will not vouch for it, that there are in New England about 4,500 shareholders, owning about $30,000,000 of stock.

Senator LODGE. How long has your firm owned this stock?

Mr. REED. We have owned it since the American Sugar Refining Company was incorporated.

Senator LODGE. Is your firm one of the incorporators?

Mr. REED. No, sir; it has never had anything to do with its management.

Senator Lodge. What was the idea of your firm purchasing and holding stocks of the American Sugar Refining Company?

Mr. REED. We thought we would rather own that than Atchison or Union Pacific, or railroad stocks in general.

Senator LODGE. You had a surplus revenue invested in railroad stocks and transferred that to sugar-refining stocks?

Mr. REED. We had some money or capital to invest, and we bought that.

Senator LODGE. When was the American Sugar Refining Company established or incorporated, as nearly as you can tell?

Mr. REED. I do not know the date.

Senator LODGE. About what year?

Mr. REED. I do not know what year; I can not answer that.

Senator LODGE. Probably three or four years ago?

Mr. REED. I should say so.

Senator LODGE. Were you members of the old trust which was dissolved?

Mr. REED. No, sir; never. We have always been independent.

Senator ALLEN. Let me ask you if the American Sugar Refining Company was not created and incorporated under the laws of New Jersey after the passage of the so-called McKinley act of 1890?

Mr. REED. That I could not say.

Senator ALLEN. What is your best recollection as to that?

Mr. REED. My impression is that the company was incorporated after the passage of that bill, or that kind of law, but I am not so certain about it. I do not carry those dates.

Senator LODGE. The old trust was dissolved after the decision of the court of appeals of New York against the legality of the old trust which was formed in 1887, and that trust was dissolved and this new company was formed, is not that it?

Mr. REED. Yes, sir.

Senator ALLEN. You may state if the American Sugar Refining Company has recapitalized since its formation—the present American Sugar Refining Company?

Mr. REED. They have added to their capital.

Senator ALLEN. And when did that occur, and what was the addition?

Mr. REED. The addition voted by the shareholders was, I think, $25,000,000. It was $50,000,000 when originally incorporated, half of each class of stock, but the date of that addition I can not give you.

Senator ALLEN. Was there paid into the American Sugar Refining Company $25,000,000 of additional money as an addition to its stock, or was this $25,000,000 of additional stock what is commonly known as watered stock?

Mr. REED. I do not think there was money paid in for the $25,000,000.

Senator ALLEN. Would that stock be classified as what is commonly known as watered stock?

Mr. REED. If that is what you mean by watered stock.

Senator ALLEN. Where a corporation is capitalized, for instance, at $50,000,000, and its plant has grown so valuable that its stockholders believe it will float a stock of $25,000,000 more, and $25,000,000 more are issued without the payment of any additional money, that I understand to be watered stock, as is commonly known. Now, was this stock of this character?

Mr. REED. This addition may have been an addition warranted by a surplus, by an increase of value of their plant, and by reason of the large amount of money that had been spent on them and by moneys that had been earned and not divided.

Senator ALLEN. But whatever they call it, there was no additional money put into the corporation when this stock was issued?

Mr. REED. The shareholders were not asked to pay for the $25,000,000 of stock.

Senator ALLEN. And they were not paid?

Mr. REED. I think that is it.

Senator ALLEN. Was there any limitation as to the recapitalization of this corporation?

Mr. REED. The shareholders, I think, would regulate that.

Senator ALLEN. I mean outside of the mere caprice of the shareholders?

Mr. REED. I do not know.

Senator ALLEN. You have been acting in perfect harmony with the American Sugar Refining Company in relation to this legislation, have you not?

Mr. REED. There has been no special want or harmony.

Senator ALLEN. Have you ever, before coming here this winter to look after your legislative interests, conversed with the members of the American Sugar Refining Company as to what plan was to be pursued with reference to this bill?

Mr. REED. I have not discussed the plan with anybody.

Senator ALLEN. You have been in New York recently?

Mr. REED. Yes, sir.

Senator ALLEN. And have seen Mr. Havemeyer or the officers of that trust?

Mr. REED. I have not seen Mr. Havemeyer. I think I have not seen him since he was in Washington here.

Senator ALLEN. Who are the officers of the American Sugar Refining Company?

Mr. REED. H. O. Havemeyer is president, and John E. Searles, treasurer. They are the most active officers.

Senator ALLEN. Give me the names of the others, please.

Mr. REED. Theodore A. Havemeyer is vice-president. The directors' names in full I can not give you.

Senator ALLEN. What relation does Mr. Cord Meyer bear to the American Sugar Refining Company?

Mr. REED. I have not the slightest knowledge; I do not know him.

Senator ALLEN. What relation does Mr. H. L. Terrell hold with that company?

Mr. REED. None that I know of. I have no knowledge on that subject.

Senator ALLEN. Have you had during the pendency of this bill before the Senate, this tariff bill which came to the Senate on the 2d of February last, any consultation with any of the officers of this American Sugar Refining Company with reference to what should be done here in Washington?

Mr. REED. I have talked with them often about the bill; about the sugar schedule often.

Senator ALLEN. What was the substance of the conversation between you and these officers upon that matter?

Mr. REED. The chief substance of my conversation was to say that if this could not be improved we would have to find some other business to engage in.

Senator ALLEN. Have you come here to act in harmony with the representatives of that corporation in shaping or forming the sugar schedule of this bill?

Mr. REED. Have I come for that purpose?

Senator ALLEN. Yes.

Mr. REED. I came here, as I said before, to act for myself and in my own ways.

Senator ALLEN. The sugar refiners of this country are all acting in harmony with reference to the sugar schedule, are they not?

Mr. REED. I do not know that. There is no conflict between them.

Senator ALLEN. If there is no conflict between them, then there must be harmony; is not that true?

Mr. REED. Perhaps by inference.

Senator ALLEN. I think you understand what I mean. Now, you have had consultations with different representatives of the different sugar-refining interests. You have had consultations with reference to the presentation of their case before the Finance Committee and Ways and Means Committee of Congress, have you not?

Mr. REED. I have talked with them. I have had no special conference. I never met them together in my life.

Senator ALLEN. Is it not true that each sugar-refining company of

the United States has or has had a representative in Congress here in Washington during the pendency of this bill before Congress?

Mr. REED. I can not say that.

Senator ALLEN. You have met some of them, have you not?

Mr. REED. I have met Mr. Searles here.

Senator ALLEN. Mr. Searles has been here all winter, has he not?

Mr. REED. I can not say that.

Senator ALLEN. A bigger portion of the time, at least?

Mr. REED. I can not answer that.

Senator ALLEN. Do you understand from Mr. Terrell, or from any other source, what Mr. Terrell's business was here?

Mr. REED. No, sir; I do not know what his business was.

Senator ALLEN. You have no means of knowing, have you?

Mr. REED. I have not inquired about that.

Senator ALLEN. Have you any means of knowing?

Mr. REED. No, sir; it did not interest me.

Senator ALLEN. Do you know in a general way what his business is?

Mr. REED. No, sir; I do not know that he has any special business.

Senator ALLEN. You know him to be a broker in Wall street, do you not?

Mr. REED. No, sir; I do not. I know he sometimes buys stocks. At least, he says he does, and I think he does.

Senator ALLEN. You know him to be interested in the American Sugar Refining Company, do you not?

Mr. REED. No, sir; I do not.

Senator ALLEN. What other person or persons besides Mr. Terrell or Mr. Searles and yourself have represented any interest in the sugar refining business in this city this winter?

Mr. REED. I saw here some time ago Mr. Howell and another partner, whose name I do not remember, of the firm of B. H. Howell, Son & Company, who represent as agents the Mollenhauer Refinery and, I think, the Yonkers Refinery.

Senator ALLEN. Did you consult or talk with them in regard to this schedule?

Mr. REED. Yes, sir; in a general way only.

Senator ALLEN. And there has been harmonious action on your part and upon the part of Mr. Searles and these other gentlemen?

Mr. REED. They have pursued their own line of conduct or argument and I have my own independent of theirs.

The CHAIRMAN. Have you made any agreement to present a certain class of arguments in the interest of all of you, just as the Woolgrowers' Association, as I understand, of which Mr. Lawrence is president, represents the interests of the woolgrowers of the United States?

Mr. REED. No, sir; I have not agreed to present anything.

The CHAIRMAN. That is what Senator Allen means.

Senator ALLEN. No; that is not what I mean. I mean this: While you may have had no express agreement, you all tacitly acted upon the same general line of representing the refining interest before the different committees of Congress?

Mr. REED. As far as I am concerned I have acted on only one line.

Senator ALLEN. And you have consulted from time to time with reference to this sugar schedule, have you not?

Mr. REED. Yes, sir; that is so. It is a very natural thing to do.

Senator ALLEN. What line of argument did you gentlemen agree, either expressly or by common consent, to pursue with the different committees?

Mr. REED. I never agreed to any line of argument whatever.

Senator ALLEN. Did you ever go, in company with either of these other gentlemen, to any member of Congress or any Senator upon the subject of sugar?

Mr. REED. I should say not. I think in every instance where I have visited any member of the Senate I have gone alone.

Senator ALLEN. This committee is charged with the duty——

The CHAIRMAN. Let me ask him this question. Were you not present, or were you present, at Senator Camden's room on one occasion with Mr. Havemeyer?

Mr. REED. I have never been in Senator Camden's room, and I have not the honor of his acquaintance.

Senator ALLEN. This committee is charged, as you know, by a resolution of the Senate with inquiring into the connection that Senators may have had, or the sugar trust may have had, in influencing legislation and making contributions to the funds of the Republican and Democratic campaign, and also into the subject of Senators speculating in this sugar stock. You are familiar with those resolutions, are you not?

Mr. REED. I saw them some time ago. I do not remember them exactly.

Senator ALLEN. It is our purpose to get at the truth, if we can.

Mr. REED. Certainly.

Senator ALLEN. Have you any means of knowing whether any Senator has speculated in sugar stocks during the last two or three months?

Mr. REED. Certainly not.

Senator ALLEN. None, whatever?

Mr. REED. None, whatever.

Senator ALLEN. Have you been informed by anybody that Senators have speculated in sugar stocks?

Mr. REED. I have not been informed by anybody that I thought would be able to give me any information. I have read newspaper reports.

Senator ALLEN. Outside of what you read in the newspapers?

Mr. REED. No, sir; not outside of that.

Senator ALLEN. Do you associate with persons who would be likely to know of these things?

Mr. REED. I do not know whether I do or not.

Senator ALLEN. Have you been consulted by any United States Senator during the last three or four months, or since the last of February, whether in your judgment stocks would rise or fall?

Mr. REED. No, sir; I never advised any member of Congress at any time to buy or sell this stock or any stock.

Senator ALLEN. Has any United States Senator approached you expressing a purpose to assist him to buy or sell these stocks in any form?

Mr. REED. No, sir; not one.

Senator ALLEN. Do you know of any contributions that were made by the American Sugar Refining Company or any of these refining interests to the campaign fund of the Republican or Democratic party in 1892?

Mr. REED. I do not.

Senator ALLEN. Or by any member or officer of any of these companies, directly or indirectly, in the interest of the refining business?

Mr. REED. I do not. I have said here already that I have been personally a contributor to the Democratic party for a great many years in a modest way, and I expect to do so as long as I remain a member of it and can afford it.

Senator ALLEN. I heard that part of your answer.

Mr. REED. That is the only contribution which I have made to the Democratic party.

Senator ALLEN. What part of the argument did you use to the members of the Senate Finance Committee in the interest of refined sugar?

Mr. REED. No argument. I never used any argument. I presented facts and figures.

Senator ALLEN. What did you say to them or any of them with reference to your idea or the idea of the American Sugar Refining Company as to what the sugar schedule of this bill should be?

Mr. REED. I have simply given facts and figures in regard to the business and made statements, but I have not presented a schedule to anybody.

Senator ALLEN. Have you ever presented in writing a schedule to any of them?

Mr. REED. Never.

Senator ALLEN. Have you ever outlined verbally a schedule?

Mr. REED. Never.

Senator ALLEN. Or the general features of what you think the bill should be?

Mr. REED. I have always advocated an ad valorem duty, because from my knowledge of the sugar business I know it to be the only honest way of collecting the revenue.

Senator ALLEN. State why you know it to be the only honest way.

Mr. REED. Because there is no chance for a fraud with an ad valorem duty on a great staple like sugar, the market value of which is known in every producing country, and is known by not less than 25 people in the city of New York daily, and you can as easily undervalue it as you can wheat and no easier.

Senator ALLEN. If its valuation is placed upon the shipping bill it is very capable of detection, is it not?

Mr. REED. I think not; but if there is any fradulent valuation by the shipper the evidence remains always and can be obtained in the files of the custom-house.

Senator ALLEN. Suppose you go to Germany to buy four or five or more cargoes of sugar there and ship it to this country to the vendors of this sugar, and they should give you a shipping bill at half its actual value. Could you not, if the ad valorem duty was imposed upon that bill, get your sugar in here for half of what it was?

Mr. REED. No sane man in the business would attempt that.

Senator ALLEN. It could be done, could it not?

Mr. REED. Yes, sir; and as readily found out as it was done. It could easily be done in fabrics, where the factory ships all of its own fabrics to this country, and on which there is no generally known market value.

Senator ALLEN. What argument did you make to the members of the Finance Committee about the subject of this differential tax in the present bill?

Mr. REED. The representations I made when asked about that were that that was an indispensable requisite for the life of the business in this country.

Senator ALLEN. You are an experienced man and an expert in this business. What difference is there between the differential tax of the McKinley act and that of the Wilson bill, as it now stands amended in the Senate?

Mr. REED. The McKinley bill on the refining industry gives a very much larger amount.

Senator ALLEN. What is the difference?

Mr. REED. That is something I shall have to make a calculation on. We have not worked under an ad valorem tariff, and I could not give that——

Senator ALLEN. Could you take a piece of paper and figure it?

Mr. REED. No, because I would have to go to the refinery to do that.

Senator ALLEN. Will you give us that before this examination closes, and we get——

Mr. REED. I could only give my opinion about it.

Senator ALLEN. Some calculation, then, would have to be made?

Mr. REED. Yes, sir.

Senator ALLEN. You say that the sugar-refining companies can not live without a tax of this kind?

Mr. REED. I say that the sugar-refining companies can not live with free raw and refined sugar.

Senator ALLEN. Why?

Mr. REED. Because it costs no more to bring into this country, whether there is a duty or it is free, 1 ton of granulated sugar than 1 ton of unpurified sugar. Pure sugar costs no more to bring here for freight and very little more for insurance than it does to bring raw sugar, containing anywhere from 75 to 95 per cent of sugar.

Senator ALLEN. Ninety-five per cent is pretty nearly pure sugar.

Mr. REED. It is not pure sugar. In my judgment, the refiners abroad can do their work a great deal cheaper than we can—for a great deal less.

Senator ALLEN. Is it not true that sugar is refined on a greater scale, with finer grades of machinery, and with greater facility, in this country than in any other country in the world?

Mr. REED. I do not know that it is not refined on a greater scale, because our country consumes a very large amount of sugar, but I know of no machinery, no patented appliances or anything of that nature, that is not available to the refiner in any country.

Senator ALLEN. Is it true, do you think, that the cost of refining raw sugar per pound is less in this country than in any other country in the world?

Mr. REED. I do not think so. I believe it is greater. As I said before, the cost of refining one hundred pounds of sugar has always been one of the secrets of the business. It has been secret between one refiner and another. And I do not know exactly what it costs any refiner to refine one hundred pounds of sugar, either here or anywhere else.

The CHAIRMAN. You could not give the labor cost per pound, either here or there?

Mr. REED. The only way would be to measure it by the price paid in the different countries for the same class of labor; but the actual labor cost of turning out the same general thing, I believe, is less abroad than here, and I also supposed it to be true, and believe it to be so, that the grade of labor there is generally lower than here.

The CHAIRMAN. You can only give us the labor cost of your own refinery, and are not able to give the labor cost of any other, because that is one of the secrets of the business?

Mr. REED. *In other words, the* American Sugar Refining Company

would not tell me if I asked them what it cost them per hundred pounds to refine.

Senator ALLEN. I am going to put you this question, Mr. Reed: How long have you been in this business?

Mr. REED. I have been in the sugar business all my lifetime.

Senator ALLEN. Do you regard yourself as an expert in refining?

Mr. REED. No, sir; because I only alluded to that part of the refining business known as the commercial side of it. I am not a practical refiner.

Senator ALLEN. You have had refiners under you, and have had all your life, and are familiar with the details of the business; you do not refine with your own hands, but with the hands of other men?

Mr. REED. I do not go into the refinery, and do not know anything about running it.

Senator ALLEN. Out of every hundred dollars of benefit arising to the refining interests through this system of taxation to-day I will ask you what portion goes to the man who performs the work—the labor?

Mr. REED. I do not know, I am sure.

Senator ALLEN. In your best judgment what portion?

Mr. REED. I could not tell you. Having no data upon the subject I should not want to assert anything.

Senator ALLEN. Can you inform yourself upon that subject to-day and get back here?

Mr. REED. I would not undertake to say I could do it.

Senator ALLEN. Are you averse to doing it?

Mr. REED. Not in the least.

Senator ALLEN. You do not, then, have means in your power, through some person in your employment, to arrive at the result?

Mr. REED. It is hardly a computable thing.

Senator LINDSAY. Do I understand you to say that 4,500 shares of the American Sugar Refining Company's stock are held in New England?

Mr. REED. I have been informed, and I believe, that there were—that is to say, two or three months ago—over 4,500 shareholders in New England.

Senator LINDSAY. Shareholders?

Mr. REED. Shareholders owning over thirty millions of the stock.

Senator LINDSAY. The entire stock is less than seventy-five millions?

Mr. REED. A little less, but for your purposes it is just as well to put it at that. I do not know exactly. I know that not quite all of it has been issued.

Senator LINDSAY. Do you know, or have you any means of knowing, where the remainder of that stock is held?

Mr. REED. I presume it is held all over the country. I do not know. I have no means of knowing.

Senator LINDSAY. I have heard it said, or some reference in a general way, that the American Sugar Refining Company represents about 80 per cent of all capital invested in refineries in the United States. Do you know anything about that?

Mr. REED. I not know what the exact percentage in the American is, because the outside, so called, or independent refineries' production has been increased in the last year or two. That would naturally reduce the percentage of the other.

Senator LINDSAY. Were you here in 1890 when the McKinley bill was pending?

Mr. REED. I was here some of the time. I have always come here

myself, preferring to come and represent my own interest and present my own case rather than employ anybody else to do it for me.

Senator LINDSAY. Were the representatives of the other refining interests here at the same time?

Mr. REED. I think they were—several of them. I think the records of the Ways and Means Committee at that time will show that quite a number of them were here.

Senator LINDSAY. They had a hearing before the Ways and Means Committee?

Mr. REED. Yes.

Senator LINDSAY. Is it your recollection that the bill as it passed the House put raw sugars on the free list and gave 40 cents on the 100 pounds to the refiners?

Mr. REED. At that time?

Senator LINDSAY. At the time it passed the House of Representatives.

Mr. REED. I do not recollect that.

Senator LINDSAY. Do you not remember that it was increased in the Senate from 40 to 60?

Mr. REED. I do not remember what the changes were in the Senate. I could not tell you now. Really I do not remember that.

Senator LINDSAY. Do you remember whether or not the sugar refiners had hearings before the Senate Committee on Finance?

Mr. REED. I do not.

Senator LINDSAY. You do not?

Mr. REED. I do not remember whether they did or not.

Senator LINDSAY. Were you before that committee in 1890?

Mr. REED. I do not remember whether I was before the Finance Committee. The record will show if it had hearings. I do remember going before the Ways and Means Committee, but I do not remember now whether I appeared before the Finance Committee of the Senate or not.

The CHAIRMAN. Did you speak to any Representatives or Senators individually when you happened to meet them at that time?

Mr. REED. Undoubtedly, at that time.

The CHAIRMAN. Do you remember which Senators you did confer with in the interest of the sugar-refining people in 1890?

Mr. REED. I talked several times, I think, with Senator Aldrich about it, as he was prominent at that time in tariff matters; and I should say with others; I do not remember, now, whom.

The CHAIRMAN. You do remember Senator Aldrich?

Mr. REED. I remember him, because we have been friends for many years.

The CHAIRMAN. Was he then conversant with the supposed needs and demands, or claims, or requests of the sugar-refining people?

Mr. REED. I think he had a good knowledge of their needs, because he was, in early life, brought up in a business which gave him a knowledge of sugar.

The CHAIRMAN. And sugar refining?

Mr. REED. Not sugar refining, especially but the sugar business generally.

The CHAIRMAN. Was the character of the arguments addressed to Senators in 1890 different from the character of those which have been addressed to them during this Congress?

Mr. REED. No. I never used but one kind—the presentation of facts, and there never was *any* Senator who desired anything but information.

Senator LINDSAY. Were the sugar-refiners satisfied with the duties laid by the McKinley bill at that time?

Mr. REED. The sugar-refiners at that time were in a very peculiar condition. It was a very radical change, and I remember very well saying to those with whom I talked that I could not tell for my part whether it was reasonable or not. It was an entire inovation in the business. It was a new basis to work upon from any that we had been on before, and nobody could tell.

Senator LINDSAY. How soon was it discovered that it did afford adequate protection to the refiners?

Mr. REED. Within a year.

Senator LODGE. The sugar schedule went into effect on the 1st of April, 1891.

Senator LINDSAY. After the 1st of April, 1892, it had been demonstrated that the protection was adequate?

Mr. REED. I should say so.

Senator LINDSAY. You are a sugar importer as well as refiner?

Mr. REED. I never was an importer of refined sugar at any time.

Senator LINDSAY. Do you know whether any refined sugar has been imported since the McKinley bill went into effect?

Mr. REED. I would have to refer to the statistics to answer that question. I think there has been some, but I do not imagine any large quantity.

Senator LINDSAY. When was the American Sugar Refining Company's stock increased $25,000,000?

Mr. REED. I can not give you the day.

Senator LINDSAY. Wasn't it more than a year ago?

Mr. REED. Yes.

Senator LINDSAY. Some time early in 1892?

Mr. REED. I think that was about the time.

Senator LINDSAY. It attracted a good deal of newspaper notice, didn't it?

Mr. REED. I do not remember about that.

Senator LINDSAY. And wide discussion?

Mr. REED. Newpaper notices with regard to the sugar-refining business have been very generous for a long time. There has been more misinformation and misrepresentation in regard to it than anything I ever knew.

Senator LINDSAY. Your impression is that the pending bill gives a great deal less protection to sugar-refining than the McKinley bill?

Mr. REED. There is absolutely no question on that point, in my judgment.

Senator LINDSAY. Will you furnish the data, so far as you can?

Mr. REED. I will.

Senator LODGE. It is ad valorem on raw, without reference to——

Mr. REED. It does not give any material differential, but it does give a little, very small differential, and in order to ascertain how much it would be, I would have to know what the cost of manufacture was on the other side.

Senator ALLEN. Mr. Reed, do not the different sugar-refining companies of the United States agree with one another as to the territory in which they sell their product?

Mr. REED. I do not know about that. I will say to you, as a matter of fact, that our product is principally sold in New England, but by no agreement or understanding. The American Sugar Refining Company has a very large refinery in Boston, and of course they are competing

in that territory, but we have for years sold our product principally in New England. Our methods of sales are different from theirs. We sell our product chiefly to the retail grocers in small lots of 20 barrels, which they are not so eager to do, perhaps. Our object in doing that has been to take care of and control, as far as we are able to, the home trade.

Senator ALLEN. The price of the same grade of sugar manufactured by you or any other of these other refining companies is the same?

Mr. REED. Very little difference for the same grade. The New York market makes the price, as it always has, for the refined.

Senator ALLEN. The price is really made by the American Refining Company?

Mr. REED. It has always been made by the market which had the largest producing power, whether in their hands or in the hands of a dozen.

Senator ALLEN. That is, the American Sugar Refining Company?

Mr. REED. Yes; it has always been New York, because that is the largest market.

The CHAIRMAN. The largest market, as distinguished from the largest producers?

Mr. REED. The largest market, without any regard to whether the producing power in that market is represented by one corporation or a dozen. Just as you say the Chicago wheat market controls the wheat market in this country. London makes the price of sugar for the world. New York makes the price of refined sugar in the United States.

Senator ALLEN. The question was this, whether the territory of the United States is not divided to some extent among the sugar refining companies of this country.

Mr. REED. No; so far as I know.

Senator ALLEN. It is not true that no one undertakes to sell in the Pacific States except Mr. Claus Spreckels?

Mr. REED. I do not see how anybody can.

Senator ALLEN. Do you sell there.

Mr. REED. We never did.

Senator ALLEN. How far West do you sell?

Mr. REED. We sell very little West, because our aim is to sell principally in New England.

Senator ALLEN. Do you sell in Chicago?

Mr. REED. Principally in our home market in New England.

Senator ALLEN. What percentage of your product is sold in New England and on the Atlantic coast?

Mr. REED. Our product for years, probably 90 per cent of it, has been sold in New England.

Senator ALLEN. And the other small portion of it so far West as Chicago?

Mr. REED. Yes; we endeavor to sell all in New England.

Senator ALLEN. How far South do you sell your product?

Mr. REED. We sell as far South as Atlanta, a very small proportion. Our aim is to sell in New England.

Senator ALLEN. Is it not true, either by express agreement or by common consent, that all the Pacific States are turned over to Mr. Spreckels' product of sugar, and neither the American Refining Company nor you, nor any other refining company on the Eastern seaboard, competes in that market with their sugars?

Mr. REED. I should say the only way it was turned over to the refineries of the Pacific coast was by the physical situation. The Rocky Mountains, I should say, attended to that part of the distribution.

Senator ALLEN. Mr. Reed, it is no farther, nor is it as far, for you to put your sugar in the market of Omaha, Nebr., and Kansas City, Mo., along the Missouri River, than for Mr. Spreckels to put his sugars there. It is not as far.

Mr. REED. I have no knowledge as to the distribution; I haven't the slightest idea who supplies those markets.

Senator ALLEN. Those points are not half-way across this continent. Why are not the sugars of the American Refining Company and your sugars put into that territory to a very considerable extent?

Mr. REED. I have told you why ours are not put there, and I did not know until you made the statement, that the sugars of the American Refining Company do not go there. I have no knowledge upon that subject.

Senator ALLEN. Speaking of the Pacific States; those along the Rocky Mountains and west of the Rocky Mountains I understand are practically devoid of competition.

Mr. REED. That fact I did not know.

Senator ALLEN. You say you know of no arrangement, direct or indirect, about division of the territory?

Mr. REED. Absolutely none. I have never been a member of one, or invited to be one, and I would not consent if I were.

Senator ALLEN. You may state if you know of any arrangement by which any sugar-refining company in the United States obtains systematic drawbacks on freights from railroad or other transportation companies.

Mr. REED. I do not. I know that we have not been able to get any, although we have tried to; I mean for several years past. I have endeavored to the best of my ability to find out if there have been any, and have never had any trace of it.

Senator ALLEN. Do you know of any United States Senator or Representative in Congress, or any officer of this Government, who owns any sugar properties, stocks, or bonds, or is a stockholder in any of these companies?

Mr. REED. I have no knowledge upon the subject.

Senator ALLEN. And have no means of ascertaining?

Mr. REED. None that I know of.

Senator ALLEN. Do you know of any such Senator or Representative who is or has been the counsel of these companies, or any of them, under pay from the companies for their services?

Mr. REED. I do not.

Senator ALLEN. You have no means of knowing?

Mr. REED. I have not. I can only say that I have never employed any, and never desired to.

Senator ALLEN. Do you know of any concerted effort of any sort on the part of any of these refining companies to purchase the sugar crop of this season in the South or elsewhere to hold in anticipation of the taking effect of this sugar schedule in January next?

Mr. REED. I do not.

Senator ALLEN. Do you know of anything that has occurred of that kind?

Mr. REED. I do not.

Senator ALLEN. Do you know whether any effort is being made——

Mr. REED. None, whatever, that I know of.

Senator ALLEN. Your company is not contemplating it?

Mr. REED. Certainly not.

Senator ALLEN. Is not engaged in it?

Mr. REED. Certainly not. In my judgment, it is physically impossible to lock up six months' supply of sugar in this country and keep it without advancing the price far beyond what the price would be taking the present price of these raw sugars plus the duty. In my opinion, it would creat a famine.

Senator ALLEN. If an advance in sugar be the consequence of the bill taking effect in January next, would a purchaser of sugar be liable to hold his sugar?

Mr. REED. He might do that, but it does not seem probable. If the price goes up as I have indicated, he will sell his sugar before that day arrives.

WASHINGTON, D. C., *June 12, 1894.*

The committee met pursuant to adjourment.

Present: The chairman (Senator Gray), Senators Lindsay, Davis, Lodge, and Allen.

SWORN TESTIMONY OF HENRY O. HAVEMEYER.

The CHAIRMAN. Mr. Havemeyer, what is your full name?

Mr. HAVEMEYER. Henry O. Havemeyer.

The CHAIRMAN. What is your business?

Mr. HAVEMEYER. I am president of the American Sugar Refining Company, misnamed "trust."

The CHAIRMAN. Where is your residence?

Mr. HAVEMEYER. I reside at Greenwich, Conn.

The CHAIRMAN. And your age?

Mr. HAVEMEYER. I am 46.

The CHAIRMAN. I will ask you, first, Mr. Havemeyer, in regard to some statements in a letter published in the Philadelphia Press in the issue of May 14, 1894, signed "Holland." In that article I find the following, which I will read:

The public did not know until after the election of 1892 that the corporation which is commonly known as the sugar trust had ever taken any active interest in politics. Like every great corporation which has reason to apprehend or desire legislation, it had been so made up that men claiming to be Democrats and others claiming to be Republicans were prominent in its management. It was precisely in that condition which Jay Gould once confessed himself always to be in. It had Republican influence for Republican service, and it had Democratic anchors cast out to hold the Democratic party. On the whole, however, the sugar trust was a Democratic association. The two Havemeyers were always Democrats. Cord Meyer, jr., was not only a Democrat by inclination, but had been a practical politician. He was long associated with the Cleveland faction, but when Mr. Cleveland betrayed that faction into the hands of Tammany Hall, Mr. Meyer, instead of resenting, accepted a Tammany nomination for secretary of state of New York.

John E. Searles, the craftiest, smoothest, most diplomatic, and men have said the oiliest member of this association, an energetic and enthusiastic Sunday-school superintendent, a man with a wonderful capacity for concealing purpose, not by silence, but by speech, had been of vague Republican association. It was through Mr. Searles that the leaders of the Republican campaign were able to obtain some financial aid from the sugar trust. Mr. E. C. Benedict was not actively engaged in the management of the trust, although his interests were with it to a considerable extent, and it has been the belief *that he has* been one of those who profited greatly by its *opportunities for speculation.*

In the summer of 1892, after Mr. Clevelend's nomination, Mr. Benedict, Mr. Havemeyer, Mr. Cleveland, and one or two others, had a conversation, either in Greenwich or upon Mr. Benedict's yacht, in which the sugar interests were earnestly discussed, and those interested as affected by the situation in the Hawaiian Islands particularly analyzed. There is no doubt now that at this meeting there were planted the seeds of the policy developed by Mr. Cleveland after he became President toward the Hawaiian Islands. At that time and subsequently there came about understandings between Mr. Cleveland and these friends of his which, if they could ever be fully exposed, would explain completely that miserable and strangely unreasonable Hawaiian incident.

In those paragraphs which I have read it is charged, among other things, that you were present in the summer of 1892, after Mr. Cleveland's nomination, with Mr. Benedict, either on his yacht or in conversation at Greenwich, consulting about the sugar interests as they were affected by the situation in the Hawaiian Islands. What have you to say about that?

Mr. HAVEMEYER. There is not a word of truth in it.

The CHAIRMAN. Did any such meeting between you and Mr. Cleveland and Mr. Benedict, or any other persons, take place, in which the situation in the Hawaiian Islands, as affecting sugar interests, was discussed?

Mr. HAVEMEYER. No.

The CHAIRMAN. When Mr. Edwards, the author of this article, was examined about this article, he says he made a mistake in saying, in the summer of 1892, after Mr. Cleveland's nomination, and that he meant in the summer of 1893. Did any such meeting occur between the parties named, Mr. Cleveland, Benedict, and yourself, or Mr. Cleveland and others, in which the Hawaiian Islands and their influence upon sugar——

Mr. HAVEMEYER. No, sir; no such meeting ever took place.

The CHAIRMAN. The other charges or statements which I have read are very vague, but I will ask you about them. They are more by way of innuendo than direct statements; that the sugar trust, socalled, of which you are an officer, is organized with reference to its influence on the two great parties of the day, the Democratic and Republican.

Mr. HAVEMEYER. That is not so.

The CHAIRMAN. You may make any statement in regard to that, although he says it is on the whole a Democratic association.

Mr. HAVEMEYER. My statement is that it is not so.

The CHAIRMAN. I have already asked you about the conversation Mr. Edwards alleged you had with Mr. Cleveland, either in Greenwich or on the yacht, in the summer of 1892 or the summer of 1893. Did you ever have such conversation anywhere?

Mr. HAVEMEYER. I never exchanged a word with Mr. Cleveland or in his company in my life, and I have never seen the man.

The CHAIRMAN. You have never seen him?

Mr. HAVEMEYER. I have never seen Mr. Cleveland, either in New York or elsewhere.

Senator ALLEN. Do you mean to say, Mr. Havemeyer, that you have never seen Mr. Cleveland?

Mr. HAVEMEYER. I have never seen Mr. Cleveland.

Senator DAVIS. You do not know what he looks like, except from his pictures?

Mr. HAVEMEYER. Except from his picture. I suppose I would know him if I saw him. Nor have I ever exchanged a word with Mr. Benedict on the subject of sugar or any other business matter whatever.

The CHAIRMAN. There is another Mr Havemeyer connected with sugar refining?

Mr. HAVEMEYER. My brother, Mr. Theodore A. Havemeyer.

The CHAIRMAN. Any other?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. Is he in the country?

Mr. HAVEMEYER. He is in New York.

The CHAIRMAN. Will he be over here?

Mr. HAVEMEYER. If he has been subpœnaed, he will.

The CHAIRMAN. Further on in the same article:

When the bill was before the subcommittee of the Finance Committee of the Senate some of the officers and managers of the sugar trust established themselves in Washington, being in New York a part of the time and in Washington at frequent intervals. Upon one occasion there were gathered in a room in a Washington hotel Mr. Havemeyer, Senator Brice, Senator Smith, of New Jersey, "Brice's Terrell," and one other man whose name it may be worth while to withhold for the present. At that interview Mr. Havemeyer displayed a great deal of indignation. He rebuked Senator Brice for failing to secure such influence in the Senate as the sugar people expected him to secure. He turned to Senator Smith and asked him bluntly, almost brusquely, what he was going to do to maintain the pledges of the party leaders to the sugar men and to secure a satisfactory schedule. Senator Smith replied that he did not see what he could then do, but he said there was always this consolation, that if they could not secure the schedule they wanted they could surely defeat the bill, leaving the present law operative.

What have you to say, Mr. Havemeyer, so far as you are concerned, in regard to that statement of Mr. Edwards?

Mr. HAVEMEYER. Some time in March—I have no clear recollection about the time—I was in Mr. Terrell's room at the Arlington hotel when Mr. Brice, Mr. Smith, and Mr. Reed were present. There was nothing at that interview said about the obligations of the Democratic party to the American Sugar Refining Company—you may call it sugar trust, I presume, for short—there exist no obligation between them, and there was no mention of any. I have no recollection of any reference to any obligation on the part of Smith, Brice, or any one present.

The CHAIRMAN. State all you remember as having occurred at that meeting, how it came about, and all you recollect about it.

Mr. HAVEMEYER. I had rooms in the Arlington Hotel, and was in my parlor when I was requested to come to Mr. Terrell's room. I proceeded thither, and found him and Mr. Brice in the room, and Mr. Terrell said, "Here is an opportunity to tell one of the Senators what you know about sugar." And I sent for my sample sugars, showing the different grades of raw sugar and the different grades of refined sugar, exposed them on a table, and delivered a lecture to Senator Brice on the subject.

The CHAIRMAN. What sort of a lecture, generally?

Mr. HAVEMEYER. I showed Senator Brice, who appeared perfectly unfamiliar with the sugar question, the range of values of raw sugar, commencing at 2 cents a pound and running up to 3, and how indispensable all those grades were for the economic manufacture of refined sugar, and spoke of the different grades of refined, the higher grades of refined being made from the higher grades of raw, and the lower grades of refined, the poor man's sugar, being made of the lower, and it not being possible to make them out of the higher grades of the raw; and how it was necessary to economy in the manufacture of sugar that the different grades should follow each other; and then how specific duties, as well as a uniform rate of duty, would affect the sugar-refining industry, when imposed on all these grades of raw sugar.

Senator DAVIS. Specific?

Mr. HAVEMEYER. There are three forms of duty. If the duty is 1 cent a pound on all sugar, the 2-cent sugar would be taxed 50 per cent

and the 3-cent sugar would be taxed 33⅓ per cent, so that it is easy to see that this would be a discrimination against the poor man's sugar. I showed him how any attempt to adjust specific rates on the ad valorem principle to these different grades of sugar would discriminate between the grades, particularly if the specific rates were all between 1 cent per pound on the lowest and 1.40 on the highest. That I showed him would result in a 60 per cent duty on low-grade sugar, running down to 40 per cent on a high-grade sugar. In other words, the discrimination was against the article which supplied the poor man with sugar and against the article on which the greatest amount of capital and labor is employed in its manufacture and the cost of manufacture generally is expended.

The CHAIRMAN. Who were present when you were delivering this exposition of the matter?

Mr. HAVEMEYER. Brice, Terrell, and myself were the only ones present then.

The CHAIRMAN. When did you see Senator Smith?

Mr. HAVEMEYER. He came in later, after the whole thing was over.

The CHAIRMAN. What was said after he came in in regard to the sugar matter?

Mr. HAVEMEYER. I believe some illusion was made to the wrangling Brice and Havemeyer had had over sugar.

The CHAIRMAN. Who characterized it as wrangling?

Mr. HAVEMEYER. I think I did.

The CHAIRMAN. You said you had been having a wrangle with Mr. Brice over sugar?

Mr. HAVEMEYER. Brice and I got hot over the matter before we finished it.

The CHAIRMAN. In what way and on what account?

Mr. HAVEMEYER. I said something about the Democratic party that he took umbrage at, I thought.

The CHAIRMAN. What was said?

Mr. HAVEMEYER. I said that the Democratic party were put into power not to destroy any industry, but to take suitable and proper care of every industry, and that this selection of the sugar-refining industry of the United States for attack was infamous as a party proceeding.

The CHAIRMAN. Was that the matter about which you had what you call the wrangling?

Mr. HAVEMEYER. That is the matter over which we got rather hot.

The CHAIRMAN. What did Mr. Brice have to say?

Mr. HAVEMEYER. Brice said he thought the Democratic party felt disposed to be fair about the matter, but did not appear to have anybody who would shoulder the incubus of the sugar trust; that he was not particularly interested in it, as it was not an industry of his State, but as a Senator he would want to do what was fair and right in the matter, and would like to hear further exposition of the subject.

The CHAIRMAN. Was that all that was said?

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. Was anything said at that time about the indebtedness of the Democratic party to the sugar trust, so-called?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. When Mr. Smith came in you referred to the wrangling you had been having with Senator Brice over the subject. What else was said in Senator Smith's presence about sugar?

Mr. HAVEMEYER. I have no recollection of any.

The CHAIRMAN. Did you go over with him the exposition you had made with Senator Brice?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. Did you speak to him of the necessity of protection, as you thought?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. Did you have any conversation with Senator Smith on that occasion about sugar?

Mr. HAVEMEYER. No, sir. The sugar conversation had ceased when he entered.

The CHAIRMAN. Do you know at what time in the evening it was?

Mr. HAVEMEYER. I should say about 10 o'clock.

The CHAIRMAN. Was he in evening dress?

Mr. HAVEMEYER. That I can not recall.

The CHAIRMAN. Who else were present during that evening?

Mr. HAVEMEYER, Later Mr. Reed, of Boston, came in.

The CHAIRMAN. Was the conversation about sugar continued after he came in?

Mr. HAVEMEYER. No, sir. There was no talk about sugar while Reed was there.

The CHAIRMAN. What, may I ask, was the subject of the conversation, without wishing to go into any private conversation that does not relate to the matter, but anything that is germane to this matter?

Mr. HAVEMEYER. Nothing that I have any recollection of.

The CHAIRMAN. Nothing was said in the conversation other than what would occur when gentlemen meet that way?

Mr. HAVEMEYER. No, sir. It was a general desultory talk.

The CHAIRMAN. Was there any statement made by you, or anybody else there, or Mr. Smith, or Mr. Brice, that the bill would be beaten if sugar did not get fair treatment?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. There was not?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. Did you on that occasion turn to Senator Smith, and ask him bluntly, brusquely, or otherwise, what he was going to do to maintain the pledges of the party leaders to the sugar men, and to secure a satisfactory schedule?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. On any other occasion did you ever use that language to him?

Mr. HAVEMEYER. I never did.

The CHAIRMAN. Or language that meant that?

Mr. HAVEMEYER. No, sir; nor had any relation to it.

The CHAIRMAN. Did Senator Smith then, or any other time, reply to you or say to you that he did not see what he could then do, but there was always this consolation, that if they could not secure the schedule they wanted they could surely defeat the bill, leaving the present law operative?

Mr. HAVEMEYER. No.

The CHAIRMAN. Further on in the same letter to the Philadelphia Press there is the following statement:

We had, upon the Sunday before the bill as first reported was sent to the Senate, a striking illustration of the absolute domination of the sugar trust over the Democratic members of the Finance Committee. That was an all-day and half the night session and upon the Sabbath day. In one room were the Democratic members of the Finance Committee and also, in the wing of the Capitol, were the representa-

tives of the sugar trust. There were Havemeyer and Terrill and Meyer, Ben Le Fevre, and others. These men sat as the rulers of a political convention sit, in a place apart and yet within instant communication of those who are to act. There were runnings back and forth between the Finance rooms and the quarters occupied by the trust all day. Everything had been arranged up to the point of satisfying the Louisiana Senators. Even the trust had realized that it was necessary for the Democratic party to placate these Louisiana men, or else there would surely be two votes against the bill. It was a question of compromise, each side giving a little and taking a little.

At one time it seemed as though the whole negotiation must go to pieces. Never was there more desperate battle between conflicting interests in the committee rooms of the Capitol. At last, late that evening, Senator Caffery drafted a schedule, Mr. Havemeyer looking over his shoulder and the other members of the sugar trust watching the Senator with eyes that fairly glittered, so one Senator who saw that spectacle afterwards reported. It was the crucial moment. When Senator Caffery had finished, the sugar trust read his draft, reluctantly accepted it, it was taken to the room of the Finance Committee and there accepted, the victory won and the original draft is still in the possession of the committee in Caffery's handwriting and with the approving marks of the sugar trust upon it.

Mr. Havemeyer, what have you to say in regard to the statements of those paragraphs?

Mr. HAVEMEYER. There is not a word of truth in it.

The CHAIRMAN. Were you ever in the Capitol on Sunday, during the day, the evening, or the night, when anything like what is there described occurred?

Mr. HAVEMEYER. No, sir; I was never at the Capitol on Sunday.

The CHAIRMAN. Were you there on any other day, when anything like what is here described occurred?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. Were you ever here sitting in a room in the Capitol with Terrell and Meyer Ben Le Fevre, and others, and with messengers running back and forth to the Finance Committee room?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. Were you ever present in the Capitol, in the Finance committee room or any other room of the Capitol, when Mr. Caffery, Senator from Louisiana, was drawing a schedule, and you were looking over his shoulder?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. Did you ever see him draw a schedule?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. Or anything like that incident stated by this letter writer, to your knowledge?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. Do you know Ben Le Fevre?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. Were you ever up in the Capitol with him, that you know of?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. Were you ever here in the Capitol with Mr. Terrell?

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. Where?

Mr. HAVEMEYER. Idling around.

The CHAIRMAN. Around where?

Mr. HAVEMEYER. Around the corridors, the gallery of the House of Representatives, and the gallery of the Senate.

The CHAIRMAN. What were you there for?

Mr. HAVEMEYER. Idling—sort of spectator.

The CHAIRMAN. You were here as a spectator?

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. Were you here in the Capitol building with Mr. Terrell to see any of the Senators or Representatives about sugar.

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. Now, Mr. Havemeyer, when, during the present session, did you first come to Washington?

Mr. HAVEMEYER. I believe it was early in March.

The CHAIRMAN. Upon what business did you come?

Mr. HAVEMEYER. Matters pertaining to the interests of the American Sugar Refining Company.

The CHAIRMAN. You are its president?

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. And you came here, you say, on matters pertaining to its interests?

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. What did you do in regard to its interests, and what was it your business to do, if you had business of that kind?

Mr. HAVEMEYER. I selected the time to come, to go before the Senate Finance Committee, and on my arrival in Washington, much to my astonishment, I found that the Senate Finance Committee had decided not to hear any of us.

The CHAIRMAN. You selected a time to come when you could go before the Senate Finance Committee. Upon what information did you make that selection?

Mr. HAVEMEYER. Upon information in the papers that the bill had passed in the House, had gone over to the Senate, and been referred to the Senate Finance Committee.

The CHAIRMAN. Did you have any information from any Senator here?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. From any one here who informed you that that was the proper time to come?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. When you came here, you found to your surprise that they were having no hearings?

Mr. HAVEMEYER. They had decided that day not to have any hearings.

The CHAIRMAN. What did you do then?

Mr. HAVEMEYER. I went to Senator Vest and asked him if a hearing to the sugar industry could not be granted.

The CHAIRMAN. Was Senator Vest a member of the Finance Committee?

Mr. HAVEMEYER. Yes, sir; he was a member of the sub-Finance Committee likewise. He told me, "No, that it could not be done, that they had decided that day to have no public hearings."

The CHAIRMAN. What did you do then?

Mr. HAVEMEYER. I then asked if he would be kind enough to hear me in reference to the proper form of duty on raw sugar, and he said he would. I had my sugar samples, to which I have already referred, with me, and opened them before him, in his house, and showed him how indispensable it was to the sugar refining industry of this country that if any duty was to be assessed on sugar it should be under the ad valorem system, and not any uniform or specific rate.

The CHAIRMAN. What rate did you propose to him as fair, in your opinion, to your interest?

Mr. HAVEMEYER. On raw sugar?

The CHAIRMAN. On the whole thing.

Mr. HAVEMEYER. I opposed any duty on raw sugar whatever.

The CHAIRMAN. What was the schedule as you proposed it to him for sugar?

Mr. HAVEMEYER. I never made any proposition to him except that if a specific rate of 1 cent per pound or a uniform rate of 1 cent per pound was to be the duty fixed by the subcommittee as a proper one for revenue, that he would fix a corresponding rate ad valorem; the foreign value of refined sugar being 3 cents, of course this ad valorem rate would be 33⅓ per cent.

The CHAIRMAN. How often after that did you see Senator Vest in regard to the sugar matter?

Mr. HAVEMEYER. I saw him once after the subcommittee had reported its bill, or rather after the full committee had reported its bill to the Senate.

The CHAIRMAN. Is that the only time, other than the one you have spoken of, that you saw Senator Vest in regard to your matters?

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. What was the subject of conversation in the second interview?

Mr. HAVEMEYER. I showed him how the specific rate reported in the Senate Finance Committee bill discriminated against the lower grades of sugar, and made an appeal to him to have the corresponding ad valorem rates substituted for the specific ones.

The CHAIRMAN. Did you endeavor to show him that any differential in favor of refined sugar should be imposed?

Mr. HAVEMEYER. Yes, sir; at the first interview.

The CHAIRMAN. What did you state in that regard?

Mr. HAVEMEYER. I told him that it was indispensable to the sugar refining industry, if it were to exist in this country, that refined sugar should receive one-quarter of a cent differential.

The CHAIRMAN. Did you urge that in the second interview?

Mr. HAVEMEYER. No, sir.

Senator LINDSAY. Do you mean a quarter of a cent per pound, or specific, or the equivalent of one-quarter of 1 per cent ad valorem?

Mr. HAVEMEYER. Either. I stated one-quarter, for the reason that it was stated so in the Wilson bill, and that any change from that would lead to a certain amount of criticism that it had been increased.

The CHAIRMAN. Did you say anything to Senator Vest on either of these occasions in regard to the Democratic party being indebted to the sugar interest?

Mr. HAVEMEYER. I never did; no, sir.

The CHAIRMAN. Did you use any other arguments, or make any other arguments in substance than those you have already indicated, to him?

Mr. HAVEMEYER. I amplified.

The CHAIRMAN. In substance, I mean.

Mr. HAVEMEYER. Not in substance; no, sir.

The CHAIRMAN. Did you ever make any contribution to the campaign fund of the Democratic party in consideration of any legislative action?

Mr. HAVEMEYER. No, sir. The American Sugar Refining Company, or the sugar trust, never made any contribution of any kind to the Democratic National Committee.

The CHAIRMAN. Did you ever make a contribution founded on that consideration?

Mr. HAVEMEYER. No, sir; nor on any other consideration.

The CHAIRMAN. What other member of the Finance Committee did you see upon the occasion of this first visit to Washington?

Mr. HAVEMEYER. I saw Senator Jones, the chairman.

The CHAIRMAN. On your first visit?

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. Where did you see him?

Mr. HAVEMEYER. I saw him at the house of Senator Camden.

The CHAIRMAN. How came you to see him there? Just state to the committee all about the meeting, how it came about, at whose suggestion, and what occurred at it.

Mr. HAVEMEYER. It is my impression that Terrell told me that Senator Jones would be at Senator Camden's house in a short time (this was at breakfast; we breakfasted together), and that I was invited there to see him. I am not sure, but that is my impression. I went there and did see him.

The CHAIRMAN. Mr. Terrell said you asked him to go.

Mr. HAVEMEYER. It may be. But whatever transpired that led to the interview, so far as I am concerned, transpired that morning at the breakfast table with Terrell being present with me. I called on Senator Jones before that.

The CHAIRMAN. Where?

Mr. HAVEMEYER. At his house.

The CHAIRMAN. Did you see him?

Mr. HAVEMEYER. I did not. He had gone to the Capitol.

The CHAIRMAN. Had you known Senator Camden before this?

Mr. HAVEMEYER. Before that meeting I had known him.

The CHAIRMAN. How long had you known him?

Mr. HAVEMEYER. I should not say I had known him a great while.

The CHAIRMAN. Did he suggest to you that you should meet Senator Jones at his (Camden's) rooms?

Mr. HAVEMEYER. I have no recollection of it.

The CHAIRMAN. Where is Senator Camden's room, with reference to the Arlington?

Mr. HAVEMEYER. Opposite the Arlington.

The CHAIRMAN. When you went over there, was that after breakfast, in the forenoon?

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. Whom did you see there?

Mr. HAVEMEYER. I saw Senator Jones and Senator Camden. Mr. Terrell accompanied me.

The CHAIRMAN. Let me ask again, can you recollect now who arranged that interview?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. Well, what occurred at the interview, as nearly as you can recollect, the substance of what occurred so far as sugar is concerned? Was that the business about which you went over there?

Mr. HAVEMEYER. I presume it was.

The CHAIRMAN. Now, what occurred?

Mr. HAVEMEYER. I had my samples of sugar, raw and refined, with me, and showed them to Senator Jones, showing him the range of each, the range of price, range of quality.

The CHAIRMAN. Was it the same sort of statement that you had made to Senator Brice and Senator Vest, and have spoken to us about?

Mr. HAVEMEYER. Precisely. He asked me some questions as to what percentage of labor was employed or shared in the cost of refining sugar. I told him it was nearly all labor. He then said that was not

the labor he was looking for, that he wanted to know the difference in cost between the actual labor employed in refining here and abroad. I told him I should estimate that at an eighth of a cent. He then asked me what percentage of first, second, and third grades of sugars we could get from common raw sugar. I told him it was impossible to answer that, because sugar was bought on the extractible purity, and that the refined out-turn was calculated upon the extractible purity, and there was no way of determining how much of each grade of the different grades of refined could be taken out of any grade of raw sugar. He appeared to be ruffled at that, and packed up his papers and said he had to go to the Senate.

The CHAIRMAN. You say he appeared to be ruffled at your statement that there was no way of ascertaining accurately what was the extractible purity of sugar?

Mr. HAVEMEYER. He appeared to be ruffled at what seemed to him, as I judged it, my inability to specifically answer how much of each grade of refined sugar could be obtained out of any common raw sugar, something that is perfectly impracticable and impossible to answer.

The CHAIRMAN. How long was that interview?

Mr. HAVEMEYER. About three-quarters of an hour.

The CHAIRMAN. You mean that Senator Jones seemed to think that you could have answered it if you had desired?

Mr. HAVEMEYER. I was under that impression from his manner. I may be wrong.

The CHAIRMAN. After Senator Jones left what did you do?

Mr. HAVEMEYER. I left also.

The CHAIRMAN. Did you continue the conversation with Senator Camden?

Mr. HAVEMEYER. No, sir; I never had a conversation with Camden on the subject.

The CHAIRMAN. Did you use with Senator Jones any other argument or make any other statements, in substance, than those you have related?

Mr. HAVEMEYER. Not in substance.

The CHAIRMAN. Did you say anything to Senator Jones about the indebtedness of the Democratic party to the sugar trust, or those interested in sugar refineries?

Mr. HAVEMEYER. No, sir. No such indebtedness exists, and I never alluded to any in any conversation with anybody at any time.

The CHAIRMAN. When again did you see Senator Jones, if you did see him?

Mr. HAVEMEYER. I never saw him again.

The CHAIRMAN. That was the only occasion you met Senator Jones?

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. Did you ever meet Senator Mills, of the committee?

Mr. HAVEMEYER. I tried to see him, but did not succeed.

The CHAIRMAN. What other member of the committee did you see during your visit to Washington on this business?

Mr. HAVEMEYER. No other members.

The CHAIRMAN. What other Senators did you see on this business than those you have already spoken of?

Mr. HAVEMEYER. I saw Hill.

The CHAIRMAN. Where did you see him and how often?

Mr. HAVEMEYER. At his rooms, and I saw him twice. I saw Brice, Smith, Jones, Vest, and Caffery.

The CHAIRMAN. Any others?

Mr. HAVEMEYER. No; I tried to see others, but did not succeed.

Senator ALLEN. Did you see Senator White, of Louisiana?

Mr. HAVEMEYER. No, sir.

Senator LODGE. Senator Gorman?

Mr. HAVEMEYER. I saw Gorman twice.

The CHAIRMAN. You have described the only occasion when you saw Senator Jones; and the two occasions on which you saw Senator Vest you say are the only occasions?

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. Where did you see, and how often did you see, Senator Brice? You have described one occasion on which you saw him on the subject of sugar.

Mr. HAVEMEYER. No other time.

The CHAIRMAN. Than the one you have already described?

Mr. HAVEMEYER. No. But once—

The CHAIRMAN. Do you recollect an occasion when you were sent for to come to his house in the evening?

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. Just tell all you recollect about that?

Mr. HAVEMEYER. One evening, I believe it was about 7 o'clock, I was invited to come to Senator Brice's house.

The CHAIRMAN. Who invited you?

Mr. HAVEMEYER. Senator Brice invited me.

The CHAIRMAN. By letter or note to you directly, or in some other way?

Mr. HAVEMEYER. No. The invitation came direct, and Brice asked me to call around and have a talk with Senator Caffery. I had never met Mr. Caffery, and I was very glad to go. I was shown into Mr. Brice's office, and, shortly after, Mr. Caffrey came in and talked with me about three-quarters of an hour, and I told him what I had to say on the subject of sugar.

The CHAIRMAN. Do you recollect very distinctly whether Senator Caffery came in after you or was there before you came?

Mr. HAVEMEYER. He came into the office after I came.

The CHAIRMAN. What other Senators were there, if any?

Mr. HAVEMEYER. Senator Brice escorted me to the office. I was announced by the butler.

The CHAIRMAN. Were any other Senators in the office?

Mr. HAVEMEYER. No other one was there.

The CHAIRMAN. Senator Caffery then came in?

Mr. HAVEMEYER. Came into the office.

The CHAIRMAN. He came in from another room?

Mr. HAVEMEYER. Apparently.

The CHAIRMAN. What occurred between you and Senator Caffery?

Mr. HAVEMEYER. The substance of what I have already testified to, as what took place on the subject of raw and refined, between myself, Jones, Vest, and Brice, except the absence of the samples. I endeavored to show him——

The CHAIRMAN. That is, show Senator Caffery?

Mr. HAVEMEYER. Yes, sir; that it was to the advantage of Louisiana to have the form of duty ad valorem, irrespective of what the rate was. Mr. Caffery told me that he was satisfied his people wanted specific rates. That is about the substance of the conversation.

The CHAIRMAN. Did you have any agreement with him, so far as you two were concerned, as to any rate of schedule, ad valorem or specific?

Mr. HAVEMEYER. No, sir; my plea was that no matter what the rate was agreed upon, it ought to be under the ad valorem system.

The CHAIRMAN. How long did this interview with Senator Caffery last, as nearly as you can recollect?

Mr. HAVEMEYER. Three-quarters of an hour.

The CHAIRMAN. Did you leave first, or did he?

Mr. HAVEMEYER. I left; we went out of the office together, but he did not go out of the house with me.

The CHAIRMAN. Did you see any other Senators when you were there?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. Was that the only occasion you met any Senator at Senator Brice's?

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. You never met any Senator at Senator Brice's on any other occasion?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. Did you ever see Senator Hill there?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. Or Senator Gorman there?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. Was this after the meeting which you first described in Mr. Terrell's room that you had this meeting with Senator Caffery at Senator Brice's, do you recollect?

Mr. HAVEMEYER. I think it was.

The CHAIRMAN. Were you often at Senator Brice's house?

Mr. HAVEMEYER. I was never there but that once.

The CHAIRMAN. I think you have said you met him on another occasion than the one you have described in Mr. Terrell's room.

Mr. HAVEMEYER. I was never at Brice's on the subject except this once, and I did not meet him then on the subject, but at his request to meet somebody else on the subject of sugar.

The CHAIRMAN. Where did you meet Senator Hill, whom you say you met on that subject?

Mr. HAVEMEYER. I called on Senator Hill at his room at the Normandie.

The CHAIRMAN. At whose request?

Mr. HAVEMEYER. At no one's request. In the interest of my company.

The CHAIRMAN. Had you known Senator Hill previously?

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. How often did you call there?

Mr. HAVEMEYER. I called there twice.

The CHAIRMAN. What occurred in those visits, so far as this matter is concerned?

Mr. HAVEMEYER. I went over the same subject with him, in substance, without my samples, and wanted him to take some active interest in securing some protection for the American sugar-refining industry, and likewise in the event of it being determined to assess a duty on raw sugar, that it should be assessed under the ad valorem system.

The CHAIRMAN. Did you use any other arguments or appeals to Senator Hill than those you have given in substance?

Mr. HAVEMEYER. Except that the industry was employing a large number of men in his own State, and that he ought to take some interest in it.

The CHAIRMAN. Did you remind him of any indebtedness of the Democratic party to the sugar trust or industry, or to the individuals connected with it?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. In what you have stated, did you mean to state the subjects of conversation at both interviews, or were you confining yourself to one, the first?

Mr. HAVEMEYER. Only the first interview.

The CHAIRMAN. What occurred at the second, when was it, and how long after the first?

Mr. HAVEMEYER. After the Senate Finance Committee had reported the bill providing for specific duties. I explained to him the discrimination in it, and wanted him to take some active interest to have it remedied.

The CHAIRMAN. What discrimination?

Mr. HAVEMEYER. The discrimination incident to assessing duty under specific rates, a discrimination of from 25 to 30 per cent against low grades of sugar.

The CHAIRMAN. Did you use any other argument than statements and explanations of that kind on that second visit?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. Did he agree to take some interest in it?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. Did he decline to take any interest in it?

Mr. HAVEMEYER. No, sir. I can tell you what he said, if it would be of any interest.

The CHAIRMAN. That would be a good way to get at it.

Mr. HAVEMEYER. He said he was dominated by other interests at the moment. I think at the first interview he had the Peckham matter in hand, and on the second interview he had the income tax on the brain. I felt that a New York Senator ought to be big enough, besides these side interests, to have the interests of his State in charge; and my visit was with the intention to have him take an active interest in an industry of his State which was imperiled by Congressional action.

The CHAIRMAN. Both of these visits were visits that you voluntarily made to him and which he did not seek from you?

Mr. HAVEMEYER. Precisely.

The CHAIRMAN. He is a Senator from your State?

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. Did you ever see your other Senator?

Mr. HAVEMEYER. Never but once, and then not on the subject of sugar. I met him at the Pennsylvania Railroad station when he was checking his baggage. I was introduced to him, and withdrew. That is all. There appears to be such significance attached to interviews with Senators that I had better tell what occurred on such occasions.

The CHAIRMAN. Now you have described the only interviews you had with Senator Hill, and you say that you have given, in substance, all that you recollect of the conversation at those interviews.

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. You speak of meeting Senator Gorman.

Mr. HAVEMEYER. I met him twice at his house.

The CHAIRMAN. How did those meetings come about?

Mr. HAVEMEYER. I went there of my own volition.

The CHAIRMAN. At his invitation at all?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. What were those interviews had at his house about?

Mr. HAVEMEYER. The first interview was in substance what I have said transpired with other Senators. He is a Senator of a State likewise in which there is a refinery, and I thought his active interest should be solicited in behalf of the industry that was imperiled. The second interview was after the Senate had reported this bill providing for specific rates.

The CHAIRMAN. The first being before?

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. What occurred at that interview?

Mr. HAVEMEYER. I told him exactly how it operated; how it discriminated against certain grades of sugar and in favor of others.

The CHAIRMAN. Did he show any interest in what you said?

Mr. HAVEMEYER. I thought he appeared to apprehend the whole subject; that he and Senator Brice appeared to apprehend the subject better than anyone else.

The CHAIRMAN. Did you, in either of those interviews, use any arguments, or make any addition to your arguments, other than you have described, in substance?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. Did you say anything to Mr. Gorman about the indebtedness of the Democratic party to the sugar trust, or individuals connected with the so-called sugar trust?

Mr. HAVEMEYER. No, sir.

Senator LODGE. What did Senator Gorman say in reference to your views at that second interview?

Mr. HAVEMEYER. You mean in reference to the report by the Finance Committee?

Senator LODGE. Yes.

Mr. HAVEMEYER. He was surprised at the discrimination which I pointed out to him, and he thought that any classification of sugars should be free from that.

Senator LODGE. Did he seem to be inclined to take an interest in the matter?

Mr. HAVEMEYER. I considered from his manner that he did.

Senator LODGE. That he was opposed to that schedule?

Mr. HAVEMEYER. That he was opposed to any schedule that discriminated in any way for or against a particular grade of raw sugar.

The CHAIRMAN. You have mentioned the name of Senator Smith as one of the Senators whom you saw after your arrival in Washington and while you have been here in regard to this sugar matter. Where did you first see him?

Mr. HAVEMEYER. I called on him at his room at the Normandie.

The CHAIRMAN. Did you see him before the time at which you saw him at Mr. Terrell's room in the Arlington?

Mr. HAVEMEYER. I believe it was; I am not sure about that.

The CHAIRMAN. You have said that on that occasion you had no conversation with him about sugar interests?

Mr. HAVEMEYER. At the Arlington?

The CHAIRMAN. Yes.

Mr. HAVEMEYER. No; none whatever.

The CHAIRMAN. You called on him at his room at the Normandie, but you do not know whether it was before or after that occasion?

Mr. HAVEMEYER. Yes, sir. I went over the same ground with him that I have already testified. He is a Senator of a State in which there is a large refinery, and I thought he ought to take some active interest

towards securing a nondiscriminating duty on raw, and suitable protection on refined.

The CHAIRMAN. Did you use the same arguments to him that you used before the other Senators?

Mr. HAVEMEYER. Precisely.

The CHAIRMAN. Did you make any other, or additional, arguments to him?

Mr. HAVEMEYER. None whatever.

The CHAIRMAN. Except the matter of being interested as a Senator from a State having a sugar refinery?

Mr HAVEMEYER. That is all.

The CHAIRMAN. Did you remind him of the indebtedness of the Democratic party to the sugar trust?

Mr. HAVEMEYER. I made no allusion to it.

The CHAIRMAN. Did you ever remind any Senator of indebtedness of that kind, or speak of indebtedness of that kind?

Mr. HAVEMEYER. Never.

The CHAIRMAN. Or authorize anybody else to speak of it?

Mr. HAVEMEYER. No, sir; no such indebtedness exists.

The CHAIRMAN. Well, that was the first occasion that you saw Senator Smith. How often did you see him? You saw him at Terrell's room at the Arlington on the occasion you first spoke of?

Mr. HAVEMEYER. Yes, sir.

Mr. CHAIRMAN. How often did you see him there?

Mr. HAVEMEYER. Once; that particular occasion.

The CHAIRMAN. The occasion which you have already particularly described?

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. Where else?

Mr. HAVEMEYER. I saw him again at his room after the Senate Finance Committee had reported the bill.

The CHAIRMAN. What on?

Mr. HAVEMEYER. Sugar in particular. I made the same statement as to the discrimination in the new schedule, and how it would operate on the sugar-refining industry.

The CHAIRMAN. How did he respond to your appeal?

Mr. HAVEMEYER. He said he was surprised at such discrimination, and he would look into the matter and do what he could to remedy it.

The CHAIRMAN. Anything else?

Mr. HAVEMEYER. Nothing further, in substance.

The CHAIRMAN. I have asked you in regard to any interview you have had upon this business of sugar refining with the Senators you have named, namely, Vest, Jones, Hill, Brice, Smith, Caffery, and Gorman. Are there any other Senators with whom you can recollect having had any interviews in regard to the sugar-refining industry as affected by the tariff?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. Mr. Havemeyer, do you know Secretary Carlisle?

Mr. HAVEMEYER. Yes.

The CHAIRMAN. How long have you known him?

Mr. HAVEMEYER. Oh, fifteen years.

The CHAIRMAN. You knew him when he was a member of the House?

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. When he was on the Ways and Means Committee?

Mr. HAVEMEYER. Yes, sir; I think he was a member of the Ways and Means Committee.

The CHAIRMAN. Did you see him this winter?

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. About the matter that brought you to Washington?

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. How often, and when?

Mr. HAVEMEYER. My first visit to Secretary Carlisle was at his house, about the time I saw the other Senators, on my first visit to Washington.

The CHAIRMAN. You say you came about the first of March?

Mr. HAVEMEYER. Yes. I came for a day or two, and went back, and came again.

The CHAIRMAN. Your first visit was in March?

Mr. HAVEMEYER. Yes, before the Senate Finance Committee reported the bill. I called upon him to ascertain what his views were about the administration of an ad valorem duty on sugar, whether he thought it could be efficiently and honestly administered. His reply was that he thought it could.

The CHAIRMAN. Was he in favor of an ad valorem duty?

Mr. HAVEMEYER. I likewise asked him if he did not agree with me that the ad valorem was the proper one upon which to assess the duty on raw sugar, if there was to be a duty. He said he did, provided the duty was to be a moderate one.

The CHAIRMAN. What else occurred at this first meeting?

Mr. HAVEMEYER. Well, we enlarged upon it, but nothing in substance.

The CHAIRMAN. The interview then was an amplification of that topic you have just alluded to?

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. Was any other topic introduced, or anything else said in regard to this matter, that you can now recollect?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. About how long did that interview last?

Mr. HAVEMEYER. Fifteen minutes. It was a short interview.

The CHAIRMAN. That was at his office in the Treasury Department?

Mr. HAVEMEYER. No; it was at his house, just after breakfast.

The CHAIRMAN. When did you see him again?

Mr. HAVEMEYER. I called around at the Treasury Department one afternoon, and asked him the same questions. I was very much concerned as to what the Treasury Department would say as to the administration of an ad valorem duty on sugar.

The CHAIRMAN. What occurred at that interview?

Mr. HAVEMEYER. He said he had not changed his opinion, that the duty could be properly administered. I told him that I wanted to see Senator Mills, and asked if he would kindly give me a letter of introduction. I likewise said, if I may say, that I heard Mr. Mills was a rather peculiar man, and I would prefer to be introduced by someone who knew him well than to venture a visit without introduction. He said he would send Mr. Mills a few introductory lines.

The CHAIRMAN. Did he give them to you?

Mr. HAVEMEYER. No, sir; he sent them. He was busy about something, and I withdrew.

The CHAIRMAN. Is that about all that occurred at that interview?

Mr. HAVEMEYER. That is all that occurred.

The CHAIRMAN. When did you see him again, if at all?

Mr. HAVEMEYER. I saw him at his house after the Senate Finance Committee had reported the sugar schedule.

The CHAIRMAN. You speak of seeing him again at his house after the interview at his office when he wrote the lines to Senator Mills.

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. What time in the day was that?

Mr. HAVEMEYER. That was in the morning.

The CHAIRMAN. That was another visit in the morning?

Mr. HAVEMEYER. Yes, sir; before he went to the Treasury Department.

The CHAIRMAN. What occurred at that interview?

Mr. HAVEMEYER. I showed him the discrimination against the different grades of raw sugar in that specific schedule.

The CHAIRMAN. You made him the same exposition of that matter that you had made to the Senators you have spoken of?

Mr. HAVEMEYER. Precisely.

The CHAIRMAN. Was anything else said, or any other matter, or any other phase of the subject talked about?

Mr. HAVEMEYER. Nothing.

The CHAIRMAN. Did you say anything to him, or he to you, about the indebtedness of the Democratic party to the sugar interest or those connected with it?

Mr. HAVEMEYER. No, sir.

Senator LODGE. Mr. Havemeyer, have you known Senator Brice before this winter?

Mr. HAVEMEYER. Yes, sir.

Senator LODGE. For some time?

Mr. HAVEMEYER. Well, I have known him for some time. I could not tell exactly the length of time.

Senator LODGE. For some years?

Mr. HAVEMEYER. Not for some years. I should say for a year or so.

Senator LODGE. Is he an officer of your company?

Mr. HAVEMEYER. Senator Brice? No, sir.

Senator LODGE. Is he interested in your company in any way?

Mr. HAVEMEYER. Not that I am aware of.

Senator LODGE. He is not a stockholder?

Mr. HAVEMEYER. Not that I am aware of.

Senator LODGE. Would you be likely to know if he were a stockholder in the company?

Mr. HAVEMEYER. I would not.

Senator LODGE. After the specific schedule was reported to the Senate, did Senator Brice, when you presented the arguments to him which you presented to all these Senators, take an interest in it and agree with you that it ought to be changed?

Mr. HAVEMEYER. I have no recollection of seeing Senator Brice on the subject after the Senate Finance Committee made its report.

Senator LODGE. Do you know whether he favored that schedule or opposed it?

Mr. HAVEMEYER. I know nothing about his action.

Senator LODGE. Senator Hill, I understood you to say, did not take any interest in it.

Mr. HAVEMEYER. He appeared indifferent about it.

Senator LODGE. Did I understand you correctly, that Senator Smith would do what he could to get it changed?

Mr. HAVEMEYER. He said he would see what he could do to have those inequalities remedied.

Senator LODGE. Was that Senator Gorman's attitude also?

Mr. HAVEMEYER. That was, as I understood it.

Senator LODGE. Then your effort with all these Senators, after the first bill was reported, was to have ad valorem rates substituted for specific?

Mr. HAVEMEYER. Yes, sir.

Senator LINDSAY. In that conversation you had with Mr. Brice at Mr. Terrell's room, in which you said to him that it was not right for the Democratic party to destroy the sugar industry, that was after the House bill had passed, putting all sugars on the free list?

Mr. HAVEMEYER. Yes, sir.

Senator LINDSAY. And before the Senate committee had taken any action on the matter at all?

Mr. HAVEMEYER. Yes, sir.

Senator LINDSAY. As I understand your testimony, the cheaper grades of refined sugars, which go into general use, are manufactured from the cheaper grades of the raw sugar?

Mr. HAVEMEYER. Yes, sir.

Senator LINDSAY. And the higher priced grades of refined from the higher priced grades of raw sugar?

Mr. HAVEMEYER. Precisely.

Senator LINDSAY. And you insisted in those arguments that a specific duty would relatively tax the cheaper grades of refined sugar higher than it taxed the high-priced grades of refined sugar?

Mr. HAVEMEYER. Yes, sir.

Senator LINDSAY. And that an ad valorem tax would operate proportionately equally upon all grades of sugar?

Mr. HAVEMEYER. Precisely.

Senator LINDSAY. And that was why you insisted that a specific duty was unequal in its operation?

Mr. HAVEMEYER. Precisely.

Senator LINDSAY. I will ask you, Mr. Havemeyer, whether the duty proposed by the pending bill in the Senate, of 40 per cent ad valorem and one-eighth of 1 cent a pound on refined sugars, is greater or less in the way of protection to refined sugars than the duty imposed by the present law, passed in 1890?

Mr. HAVEMEYER. About 75 per cent less.

Senator LINDSAY. Can you furnish the committee the data upon which you reach that conclusion?

Mr. HAVEMEYER. I can.

Senator LINDSAY. Will you do it?

Mr. HAVEMEYER. The relation of one-eighth to one-half.

Senator LINDSAY. The specific duty imposed by the McKinley bill is fifty one-hundredths of a cent a pound?

Mr. HAVEMEYER. Yes, sir.

Senator LINDSAY. And this compensatory one-tenth of a cent in case——

Mr. HAVEMEYER. That is the same in either case to a great extent; not exactly. It is worse under the proposed bill.

The CHAIRMAN. Worse for whom?

Mr. HAVEMEYER. Worse for the sugar-refining interests.

Senator LINDSAY. How do you explain this inconsistency with your theory that refined sugars imported from abroad are higher priced than the raw sugars imported from abroad? Does not the 40 per cent ad valorem on high-priced sugar compensate you in some degree for the difference between one-eighth and one-half specific duty per pound?

Mr. HAVEMEYER. Not at all.

Senator LINDSAY. If not, why not?

Mr. HAVEMEYER. Because you can obtain purity in a refined state just as cheap as you can obtain it in a raw state. In the first place, sugar refining abroad, about which the industry of the United States is concerned, is what may be termed the plantation interest, in which the refined sugar is made direct from the juice. That is the practice in Germany, France, and Austria. They produce twice as much sugar as they consume, and the excess goes to England, in the refined sugar state, the only country in the world that does not impose a discriminating duty on refined sugars. To obtain raw sugar from any of these beet producing countries on the continent, you have to pay them the same value for the purity in the raw which they do obtain from the English market in the refined; and any sugars in which the value of purity is identical, no rate ad valorem assessed on both can discriminate in favor of either.

Senator LODGE. I asked Mr. Reed yesterday whether the ad valorem rate, without reference to the eighth or tenth, I mean the ad valorem on raws, did not in itself give a differential in favor of refined, and he said it did, a small one.

Mr. HAVEMEYER. It does not.

Senator LINDSAY. Now, Mr. Havemeyer, you say in Europe, that is, in Germany and Austria, they make refined sugar directly from the juice.

Mr. HAVEMEYER. Yes, sir.

Senator LINDSAY. They never convert the beet juice into what we call raw sugar at all?

Mr. HAVEMEYER. Well, to a very moderate extent.

Senator LINDSAY. Why is it that in America the cane sugar and beet sugar have never been refined through the original process of manufacture of the raw?

Mr. HAVEMEYER. Seventy per cent of the Louisiana crop goes into direct consumption, suitable for consumption as refined. The other 30 per cent would go if the planters had suitable machinery.

Senator LINDSAY. Is there not some obstacle under the present law against having the refinery machinery under the same roof with the machinery used to convert the cane into raw sugar?

Mr. HAVEMEYER. There is some difference, but I do not consider it very important. I think the Treasury Department fixed 25 feet as the distance the refinery should be from the building in which the agricultural product was made.

Senator LINDSAY. That rendered necessary the erection of two structures or buildings.

Mr. HAVEMEYER. Yes, sir.

Senator LINDSAY. And in that way increased the cost?

Mr. HAVEMEYER. I dare say it did somewhat.

Senator LINDSAY. The European refineries have no such obstacle or additional cost to overcome?

Mr. HAVEMEYER. I do not think they have.

Senator LINDSAY. When was what was known as the sugar trust, as distinguished from the present corporation under which you are operating, organized?

Mr. HAVEMEYER. I think in 1887.

Senator LINDSAY. That compact between the sugar refiners was in the nature of an agreement between separate and distinct refiners to carry on the sugar-refining business in a given way and after an agreed plan of operations, wasn't it?

Mr. HAVEMEYER. They pooled their stock and issued certificates against it.

Senator LINDSAY. Then it was what was known as the trust?

Mr. HAVEMEYER. Trust.

Senator LINDSAY. That trust was in existence in 1890 when the McKinley bill was passed, was it not?

Mr. HAVEMEYER. I am not sure about that; I would have to look that up. It is my impression that we were under reorganization then, and that it was in existence.

Senator LINDSAY. That you were under reorganization?

Mr. HAVEMEYER. Which would bring it within the existence of the trust.

Senator LINDSAY. Is it not a fact that you did not reorganize under the New Jersey charter until 1891?

Mr. HAVEMEYER. Very likely. I do not know the dates. They are matters of public record.

Senator LINDSAY. When were the certificates of the sugar trust first listed for sale on the stock market in New York?

Mr. HAVEMEYER. I think it was after the first decision in the court. The date I do not know.

Senator LINDSAY. Before or after 1890?

Mr. HAVEMEYER. Oh, before.

Senator LINDSAY. What was the capital of the trust or the pool?

Mr. HAVEMEYER. Fifty million dollars.

Senator LINDSAY. Now, at the time that pool was operating, is it not a fact that on the Pacific coast Spreckles——

Mr. HAVEMEYER. What do you mean by pool—sugar trust?

Senator LINDSAY. Yes. That there was in operation on the Pacific coast the Spreckles, Harrison & Knight refinery?

Mr. HAVEMEYER. Only Spreckles' and our refinery.

Senator LINDSAY. Harrison and Knight were operating where?

Mr. HAVEMEYER. In Philadelphia.

Senator LINDSAY. Those two companies, corporations, firms, or whatever they may have been, were not in the trust pool?

Mr. HAVEMEYER. No, sir.

Senator LINDSAY. Subsequently to 1890, when you organized under the New Jersey charter, those interests did come into the pool, did they not?

Mr. HAVEMEYER. They were bought out by the American Sugar Refining Company, the successor to the trust.

Senator LINDSAY. And when they were brought out the capital stock was increased to $75,000,000?

Mr. HAVEMEYER. The capital stock was increased to $75,000,000, and then they were bought out.

Senator LINDSAY. Was your attention directed to the prices at which sugar stock or trust stock sold in the market in the years 1889, 1890, 1891, and 1892? You have a general knowledge of the prices at which it sold?

Mr. HAVEMEYER. I did then; I have not now.

Senator LINDSAY. Did or did not that stock vary greatly in its market value on the stock market during those years?

Mr. HAVEMEYER. O, yes; always.

Senator LINDSAY. I will ask you whether or not in January, 1890, that stock was selling on the stock market for about 50 cents to the dollar.

Mr. HAVEMEYER. Just prior to the reorganization it did.

Senator LINDSAY. Now I will ask you if it did not, in the month of January, while the McKinley bill was pending before the House, vary in its sales on the stock market as much as from 50 to 65 cents on the dollar; that is, a variation from 50 to 65, a variation of 15 cents?

Mr. HAVEMEYER. I believe it did.

Senator LINDSAY. During the month of February, were not the variations about the same?

Mr. HAVEMEYER. Yes, sir; very violent.

Senator LINDSAY. In March, while the bill was still pending in the House of Representatives, did not the stock of the sugar trust go up as high as 70 cents to the dollar?

Mr. HAVEMEYER. I believe so.

Senator LINDSAY. Now, in April, when the House bill was sent to the Senate, did the stock not go up to 75 cents to the dollar on the New York market?

Mr. HAVEMEYER. I am not clear about those things. Those things are matter of record which can be substantiated by the reports.

Senator LINDSAY. I am only getting at your best recollection.

Mr. HAVEMEYER. I do not charge my mind with the quotations of sugar stock.

Senator LINDSAY. In May, 1890, after the bill had left the House and was pending in the Senate Finance Committee, did or did not the stock sell on the market in New York as high as 95 cents to the dollar?

Mr. HAVEMEYER. Very likely. I do not know.

Senator LINDSAY. And was not it about par at the time the McKinley bill passed the two Houses of Congress?

Mr. HAVEMEYER. Not unlikely.

Senator LINDSAY. I will ask you for your best recollection whether or not between the introduction of the McKinley bill in the House of Representatives and its final adoption by the two Houses, the stock of this sugar trust did or did not advance as much as 40 cents in the dollar?

Mr. HAVEMEYER. I know there was a great advance, but I prefer not to state the exact advance until I confirm my judgment by reference to the records.

Senator LINDSAY. Have you any way to do it in the city of Washington?

Mr. HAVEMEYER. Not unless I apply to some sugar broker's office where they keep records of those matters.

The CHAIRMAN. Stock broker or sugar broker.

Mr. HAVEMEYER. Stock broker.

Senator LINDSAY. I will ask you this: During the spring of the year 1892, after the country had recovered from the collapse caused by the Baring failure, which I take it affected sugar stock as it did all stocks——

Mr. HAVEMEYER. Very seriously.

Senator LINDSAY. And after these stocks had been increased to 75 millions by the consolidation, by the purchase out of Spreckels and these other people, this stock did not go up as high as 135 in the market of the city of New York?

Mr. HAVEMEYER. 134, I believe, to be exact.

Senator LINDSAY. How late in the month of April, 1892, was it quoted at 134 on the stock market?

Mr. HAVEMEYER. I could not fix the date.

Senator LINDSAY. Was it as late as the 1st of June?

Mr. HAVEMEYER. I have no definite recollection of the date.

Senator LINDSAY. To your best recollection, did it not run that way nearly all during the year 1892, 130 to 134?

Mr. HAVEMEYER. I should not want to state anything on that subject. I have no definite recollection, and the fact is so easily obtained.

Senator LINDSAY. Do you not know that it was more than 125 during all that time?

Mr. HAVEMEYER. I would not say how long, but know that for a long time it was higher than 125.

Senator LINDSAY. And do you remember when it got to the limit?

Mr. HAVEMEYER. I do not know the date exactly.

Senator LINDSAY. So, then, to be correct, in January, 1890, when Congress first commenced the consideration of the McKinley bill, your stock of 50,000,000 was selling at 50 cents to the dollar in New York, and in the spring and summer of 1892, after it had been increased to 75,000,000, it was selling from 125 up. The sugar-refining interests suffered no detriment at the hand of the McKinley bill?

Mr. HAVEMEYER. They certainly suffered no detriment at the hands of the McKinley bill.

Senator LINDSAY. Without going into any private matters, that have not been made public, I will ask you, during the years 1891 and 1892, what dividends were declared on this consolidated stock of 75,000,000?

Mr. HAVEMEYER. To the best of my recollection there was a dividend declared of 7 per cent on the preferred and 12 per cent on the common, and I believe an additional dividend from the accumulated earnings of 10 per cent on the common.

Senator LINDSAY. When were these dividends declared?

Mr. HAVEMEYER. I assume that they were declared in the years you name, but do not say so positively.

Senator LINDSAY. From 1891 to the early part of the year 1892?

Mr. HAVEMEYER. That is my impression, but I wish to say that it can be easily ascertained as a fact. The declaring of these dividends was made matter of public notice.

Senator LINDSAY. The newspapers contained it?

Mr. HAVEMEYER. Oh, yes.

Senator LINDSAY. Those dividends had a great deal to do with affecting the price of the stocks in the stock market.

Mr. HAVEMEYER. The announcement that such dividends would be declared had the effect of advancing the stock, but the declaration and payment of the dividends had the effect of depreciating the stock.

Senator LINDSAY. The payment of the dividends, of course, depreciated the stock for the time being?

Mr. HAVEMEYER. I think there was a feeling that the insiders were dividing the profits to get out. That is the newspaper phase of it.

Senator LINDSAY. Those dividends were legitimate, were they not?

Mr. HAVEMEYER. Perfectly.

Senator LINDSAY. The earnings of the company justified the directory in declaring and paying them?

Mr. HAVEMEYER. The past earnings.

Senator LINDSAY. Were you in Washington during the winter of 1889 and 1890 and up through the summer of 1890 while the McKinley bill was pending in the House and Senate?

Mr. HAVEMEYER. I do not think I was. I think the trust was represented by others.

Senator LINDSAY. Can you tell who those people were?

Mr. HAVEMEYER. I think John E. Searles, and I think my brother Theodore was here.

Senator LINDSAY. In 1890 you were not here?

Mr. HAVEMEYER. I have no recollection of being here.

Senator ALLEN. What is the technical name of the so-called sugar trust?

Mr. HAVEMEYER. The American Sugar Refining Company of New Jersey.

Senator ALLEN. And it was organized under the laws of New Jersey in what year?

Mr. HAVEMEYER. I believe, in 1891.

Senator ALLEN. Was that after the sugar pool that was the result of the Parsons contract was declared illegal?

Mr. HAVEMEYER. After the sugar trust was declared illegal.

Senator ALLEN. There was a trust organized under what was known as the Parsons contract, was there not?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. And that was declared illegal by the court of appeals of New York, at what time?

Mr. HAVEMEYER. It was either late in 1890, or early in 1891.

Senator ALLEN. What sugar refineries did that trust which was declared illegal by the court of appeals embrace?

Mr. HAVEMEYER. Well, I may say it embraced all the refineries but the Spreckles, Franklin, the Revere, Henderson of Louisiana, and a small one in Texas.

Senator ALLEN. Now, after that decision, the present American Sugar Refining Company was organized in New Jersey in 1891?

Mr. HAVEMEYER. I believe that is the date.

Senator ALLEN. And that is a corporation under the laws of New Jersey?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. What sugar refineries are embraced in the American Sugar Refining Company; what factories?

Mr. HAVEMEYER. All those that were in the trust, with the addition of others acquired since.

Senator ALLEN. How many companies, and what are the names of them, that are now embraced in the American Sugar Refining Company?

Mr. HAVEMEYER. I do not think that I can give the names. I can give the number.

Senator ALLEN. I would like to have the names, and would like to have you give them as nearly as you can.

Mr. HAVEMEYER. There are three in Boston.

Senator ALLEN. What are their names?

Mr. HAVEMEYER. I believe they were the South Boston, the Standard, and the Continental companies. There is one in Portland, Me., whose name has escaped me, but it was the only one there. And there were the Havemeyer & Company, the Havemeyers & Elder, the Brooklyn, the Madison & Wiechers, and the Oxnard, of New York, Brooklyn and Jersey City. Then there was later the Louisiana and Planters, in Louisiana, and one in San Francisco; I forgot its name.

Senator ALLEN. And have any been added since then?

Mr. HAVEMEYER. The Spreckels refinery and the Franklin refinery, the Knight refinery and the Delaware refinery, in Philadelphia.

Senator ALLEN. All of Philadelphia?

Mr. HAVEMEYER. Yes.

Senator ALLEN. Now, have you named all the refinery companies that are embraced in what is known as the American Sugar Refining Company?

Mr. HAVEMEYER. The American Sugar Refining Company likewise owns half the stock in the Western Refinery Company of San Francisco.

Senator ALLEN. And who owns the other half?

Mr. HAVEMEYER. Spreckels. The interests were united in one company.

Senator ALLEN. What refineries are there in the United States now that are not embraced in what is commonly called the sugar trust, or American Sugar Refining Company?

Mr. HAVEMEYER. Mollenhauer of New York, the National of Yonkers, the Revere of Massachusetts, the Baltimore --

Senator ALLEN. What is the Baltimore known as?

Mr. HAVEMEYER. The Baltimore refinery, I believe. The Henderson refinery of Louisiana, and the Sugar Lands refinery of Houston, Tex.

Senator ALLEN. What is the name of this firm of which Mr. Reed, who was a witness here yesterday, is a member?

Mr. HAVEMEYER. The firm name is Nash, Spaulding & Co., but the commercial name of the house is the Revere Sugar Refining Company.

Senator ALLEN. They, you say, are not in the sugar trust?

Mr. HAVEMEYER. No, sir; in no way connected with the trust.

Senator ALLEN. But they hold large quantities of the American Sugar Refining Company's stock?

Mr. HAVEMEYER. Yes.

Senator ALLEN. Do you know how much?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. Amounting to several millions?

Mr. HAVEMEYER. I doubt it.

Senator ALLEN. The American Sugar Refining Company is able to control the prices of the sugar sold in the United States, is it not?

Mr. HAVEMEYER. Up to the importing point, it is.

Senator ALLEN. And when you sell in this country you control the price?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. And it was organized, Mr. Havemeyer, as I understand it, with the view of controlling the price and output to the people of this country.

Mr. HAVEMEYER. That was one of the objects of the consolidation.

Senator ALLEN. And you have succeeded in doing it?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. That was the principal object in organizing the American Sugar Refining Company?

Mr. HAVEMEYER. It may be said that that was the principal object.

Senator ALLEN. And making money, incident to that control?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. At the time of your organization, in 1891, I understand you were capitalized for $50,000,000?

Mr. HAVEMEYER. At the time of the reorganization the capital was $50,000,000.

Senator ALLEN. That is, at the time you organized as the American Sugar Refining Company?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. Since that time you have recapitalized to some extent?

Mr. HAVEMEYER. Increased the capital.

Senator ALLEN. You have increased it how much?

Mr. HAVEMEYER. Twenty-five millions.

Senator ALLEN. Did you increase the capital upon the basis of the advanced value of the stock, without putting any more money into the transaction?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. You did not put in any more money?

Mr. HAVEMEYER. We put in the representative of money, but not cash.

Senator ALLEN. You put in no more cash, but increased it upon what was then supposed to be the value of the stock, making the stock and the actual value of the stock, as it then existed, equal?

Mr. HAVEMEYER. No.

Senator ALLEN. How did you increase it?

Mr. HAVEMEYER. We increased it because the majority of the shareholders believed it should be increased, and distributed it against the purchases of outside refineries.

Senator ALLEN. You did not put in any more cash or any more tangible property?

Mr. HAVEMEYER. Oh, yes; we did.

Senator ALLEN. What did you put in?

Mr. HAVEMEYER. We put in an amount corresponding to the capital issued.

Senator ALLEN. In what form did you put it in?

Mr. HAVEMEYER. In the purchase of outside refineries. We issued this stock against the purchase of the other refineries.

Senator ALLEN. You issued increased stock, and used it in buying in other refineries?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. Did you issue stock in excess of the market value of the other refineries?

Mr. HAVEMEYER. Oh, no.

Senator LODGE. This additional $25,000,000 represented other refineries?

Mr. HAVEMEYER. Yes.

Senator ALLEN. By which means, Mr. Havemeyer, you are able to control the price and output of these other refineries that were brought into the trust?

Mr. HAVEMEYER. Yes.

Senator ALLEN. Before that, you had not been able to control the price of sugar absolutely? There was competition between the American Sugar Refining Company and these outside factories?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. That competition you succeeded in destroying by bringing them into the trust, did you?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. And made the price of sugar to the American Sugar Refining Company much more favorable than it had been before that time?

Mr. HAVEMEYER. Precisely.

Senator ALLEN. Now the American Sugar Refining Company, as I understand it, owns a half interest in the stock of the sugar refining company in California?

Mr. HAVEMEYER. Yes sir.

Senator ALLEN. And where did you say that company was situated, and what is its name?

Mr. HAVEMEYER. It is known as the Western Sugar Refining Company, and is located at San Francisco.

Senator ALLEN. And Claus Spreckels owns the other half?

Mr. HAVMEYER. Yes sir.

Senator ALLEN. Is there an agreement between the American Sugar Refining Company and Claus Spreckels at this time by which the price of sugar is controlled in this country?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. There is no competition between the two factories, is there?

Mr. HAVEMEYER. Yes, if you call it competition.

Senator ALLEN. But there is no active cutting of prices between the two?

Mr. HAVEMEYER. The prices are made in New York, and——

Senator ALLEN. Made satisfactory to him?

Mr. HAVEMEYER. No; we do not regard him at all.

Senator ALLEN. Mr. Spreckels could be and has been a formidable competitor of the American Refining Company, has he not?

Mr. HAVEMEYER. When he was in Philadelphia he was.

Senator ALLEN. He built a refining factory in Philadelphia in what year?

Mr. HAVEMEYER. I believe it was 1890 or 1891.

Senator ALLEN. The American Sugar Refining Company bought him out there, did it not?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. And paid him in stocks of the American Sugar Refining Company?

Mr. HAVEMEYER. Yes.

Senator ALLEN. Also, at the time, entered into an agreement with him as to dividing up the territory of the United States, for the sale of sugar, did they?

Mr. HAVEMEYER. Oh, no.

Senator ALLEN. How far west do you ship your sugars?

Mr. HAVEMEYER. To the Missouri, about.

Senator ALLEN. And who supplies the territory west of the Missouri River?

Mr. HAVEMEYER. Spreckels.

Senator ALLEN. As a matter of fact you do not ship into Spreckels' territory at all?

Mr. HAVEMEYER. We can not, in competition with him.

Senator ALLEN. And he can not ship into your territory?

Mr. HAVEMEYER. He ships his surplus sugar to the Missouri River.

Senator ALLEN. There is a line beyond which you do not ship your sugars, which is the Missouri River?

Mr. HAVEMEYER. There is a physical line; a practical line.

Senator ALLEN. And when you get to the mouth of the Missouri River, as to the fields south of Alton, Ill., does the Mississippi River form a line between you and Spreckels, or between you and the Louisiana planters?

Mr. HAVEMEYER. I think there is no boundary between ourselves and Louisiana. We have a refinery operating in Louisiana at the same time the crop is harvested.

Senator ALLEN. Do you ship your sugars to St. Louis and southwest of that?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. How, far.

Mr. HAVEMEYER. I do not know exactly. I am not familiar.

Senator ALLEN. Into Arkansas, Texas, Indian Territory, or Oklahoma?

Mr. HAVEMEYER. We ship wherever we can reach in competition.

Senator ALLEN. When you break over, and ship to the southwestern portion of the country, you do not observe the Missouri line or Mississippi line, as I understand, but go below the mouth of the Missouri River.

Mr. HAVEMEYER. We ship to wherever we can ship to, according to the rate of freight that we can obtain, in competition with the refineries of the different localities.

Senator ALLEN. How far south do you ship?

Mr. HAVEMEYER. If we oversell in the New Orleans refinery, we would ship to New Orleans, and when the New Orleans product was under us in price they naturally would drive us out of the territory reached by them through the receipt of freight rates cheaper than we could reach it.

Senator ALLEN. You have a refinery company in New Orleans?

Mr. HAVEMEYER. Yes.

Mr. ALLEN. And you sell there in conjunction with other refineries at that point throughout Louisiana?

Mr. HAVEMEYER. What do you mean by in conjunction? That implies agreement.

Senator ALLEN. There are other refineries there, are there not?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. Is there any competition between them as to the price of sugar there?

Mr. HAVEMEYER. We fix the——

Senator ALLEN. I mean, is there any cut in prices. Do you cut the price of any Louisiana concern, or do they cut your price?

Mr. HAVEMEYER. They cut ours. We have a fixed price.

Senator ALLEN. And when they cut your price, what do you do?

Mr. HAVEMEYER. We maintain prices.

Senator ALLEN. You take your sugars out of the market until they sell out, or they come back to yours.

Mr. HAVEMEYER. We maintain our price. They sell at whatever price they can get, whether it is higher or under us.

Senator ALLEN. You suffer them to sell their crop short at a lower price than you sell.

Mr. HAVEMEYER. They can sell as they please. They have to sell their product under ours to dispose of it.

Senator ALLEN. Mr. Havemeyer, is it not true that you control, that is, the American Sugar Refining Company controls, the prices of sugar to all the Louisiana refineries?

Mr. HAVEMEYER. Directly we do not; indirectly we do.

Senator ALLEN. Through your organization you do. If you fix the price at 4 cents for granulated throughout the United States the others obtain it, don't they? And in that way the price is controlled.

Mr. HAVEMEYER. We undertake to control the price of refined sugar in the United States. That must be distinctly understood.

Senator ALLEN. And the price of refined sugar in the United States is higher to the American people in consequence of the existence of the American Sugar Refining Company than it would be if the different

companies in your organization were distinct and independent companies?

Mr. HAVEMEYER. For a short time it is.

Senator ALLEN. And what difference does it make for the consumers in this country in a year, in your judgment?

Mr. HAVEMEYER. It has been in three years past three-eighths of a cent more on every pound they ate, as against doing business at a loss.

Senator ALLEN. And that would be about how much in round numbers?

Mr. HAVEMEYER. It is a large sum in the aggregate.

Senator ALLEN. How many millions?

Mr. HAVEMEYER. I should say it was close to $25,000,000 in three years.

Senator ALLEN. And you intend to keep your hold upon the American people as long as you can?

Mr. HAVEMEYER. As long as the McKinley bill is there we will exact that profit.

Senator ALLEN. Is that the result of the McKinley bill?

Mr. HAVEMEYER. We should not have achieved it without the McKinley bill; but a great deal of the profit is due to these men in consequence of combining the different interests and the skill and labor attending it.

The CHAIRMAN. Do you mean to say that by reason of the consolidation and the economies incident to it you have been able to cheapen the product of sugar to the consumer?

Mr. HAVEMEYER. Yes, sir. We have reduced the margin between raw and refined to the consumer.

Senator ALLEN. What number of men, actual laborers, paid by the day, week, or month, or year, engaged in manual labor, have you in the American Sugar Refining Company?

Mr. HAVEMEYER. Oh, it is between 20,000 and 25,000. That would include collateral branches.

Senator ALLEN. I am speaking of those directly engaged in the work of refining.

Mr. HAVEMEYER. Allow me to ask you a question. Suppose I own a barrel factory, and own all the stock of it; that is the American Sugar Refining Company, and we make all our barrels and employ 2,000 coopers; is that to be included?

Senator ALLEN. Yes.

Mr. HAVEMEYER. Then I repeat my statement, between 20,000 and 25,000 men.

Senator ALLEN. That does not include officers and all drawing large salaries?

Mr. HAVEMEYER. Yes; includes all of us.

Senator ALLEN. What proportion of that number are engaged in actual manual labor?

Mr. HAVEMEYER. I recognize that all of them are.

Senator ALLEN. I am not speaking of the officers, but of the men who depend upon their daily labor for their living. What portion of that number are men who depend upon their daily wages for their livelihood?

Mr. HAVEMEYER. When an engineer gets $3,000 a year, is he a laborer?

Senator ALLEN. I suppose he would be a laborer.

Mr. HAVEMEYER. Or a superintendent who gets $15,000 a year, would he be a laborer?

Senator ALLEN. No, sir; I should say not.

Mr. HAVEMEYER. Then I should say that 85 per cent is the proportion you are seeking.

Senator ALLEN. Now, Mr. Havemeyer, what I mean I think you can apprehend very easily; it is this: The men we call laborers in this country, as distinguished from those who are officers, men who do not depend upon their daily labor for their livelihood, but men who depend upon ther daily work, and without it would in a short time be the subject of public charity.

Mr. HAVEMEYER. We have engineers we pay $10 a day, and others $10 a week, and superintendents we pay $10,000 a year, and superintendents whom we pay $10 a day.

Senator LODGE. The great mass of these men you have mentioned, 25,000 men, employed by the American Sugar Refining Company, are what are called laborers, aren't they? I mean men engaged in the practical manufacture of sugar. I include as laborers, men hired by the month, you might say, instead of by the year, and some percentage as skilled.

Mr. HAVEMEYER. I should say 85 per cent, 15 per cent skilled.

Senater ALLEN. What efforts are being made, if any, to bring the other refining companies, American refineries of sugar, into the American Sugar Refining Company?

Mr. HAVEMEYER. None.

Senator ALLEN. None whatever. You continued those efforts until you were able to control the price of American sugar and output as well, and then ceased, did you? When you got to the point where you could control the American market and the American output, you ceased getting in the other refining companies?

Mr. HAVEMEYER. We should be glad to take them all in at a fair price.

Senator ALLEN. Have you made any effort to take them in?

Mr. HAVEMEYER. No.

Senator ALLEN. You did pay Mr. Claus Spreckels for his Philadelphia factory much more than it cost him?

Mr. HAVEMEYER. I do not know what it cost him.

Senator ALLEN. You paid something like $5,000,000 for it?

Mr. HAVEMEYER. We paid him fully that.

Senator ALLEN. Does Mr. Spreckels own any of the stock of the American Sugar Refining Company?

Mr. HAVEMEYER. I do not know.

Senator ALLEN. What is your best recollection or best knowledge upon that subject?

Mr. HAVEMEYER. He did own it when we paid it to him for his refinery. I do not know what he has done with it.

Senator ALLEN. Do you know of his selling it?

Mr. HAVEMEYER. I know nothing about it.

Senator ALLEN. What amount of stock did he own then, speaking of the time when you purchased his interest in Philadelphia?

Mr. HAVEMEYER. I do not know.

Senator ALLEN. What amount of stock did the American Sugar Refining Company pay Mr. Claus Spreckels for his factory in Philadelphia?

Mr. HAVEMEYER. I would have to look that up.

Senator ALLEN. In round numbers, relatively how much? I do not care anything about accuracy.

Mr. HAVEMEYER. I think it was about $10,000,000.

Senator ALLEN. And you do not know of Mr. Spreckels——

Mr. HAVEMEYER. That is, for that Spreckels refinery. I do not know how much of that he owned.

Senator ALLEN. You do not know of Mr. Spreckels having parted with that stock?

Mr. HAVEMEYER. I know nothing about Mr. Spreckels' affairs.

Senator ALLEN. For what you know, Mr. Spreckels continued to hold the stock, and continues to hold it at the present time?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. You say, as a matter of fact, that there is no real competition between Mr. Spreckels and the American Sugar Refining Company?

Mr. HAVEMEYER. The same question comes, what constitutes competition? I told you that we fixed the price of sugar, and Mr. Spreckels undersells us solely to get rid of his sugar, and to that extent only is there competition.

Senator ALLEN. Mr. Spreckels's control of the States west of the Missouri River is due to natural causes. You can not ship there to compete with him?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. And therefore do not attempt to?

Mr. HAVEMEYER. No, sir. Mr. Spreckels receives from the Sandwich Islands 120,000 tons. Eighty thousand is consumed on the Pacific coast and the other 40,000 he has to dispose of in the Missouri River territory, and when in the market he undersells us, and the Missouri River does take that excess. Occasionally he sells as far east as St. Paul and Minneapolis.

Senator ALLEN. Did you ever undertake to sell in that country in competition with Mr. Spreckels?

Mr. HAVEMEYER. We always did.

Senator ALLEN. When did you cease to sell there?

Mr. HAVEMEYER. We never did.

Senator ALLEN. Do you ship your sugars into Nebraska?

Mr. HAVEMEYER. We ship our sugars anywhere and sell them at our New York price with the freight added. We sell in the Missouri River, and as an instance of it, one of those large wholesale grocery firms failed the other day and owes us $12,000. That is conclusive that we do sell there. The Missouri River is the territory east of the Rock Mountains in which Mr. Spreckels has to dispose of 35 per cent of his sugar. It is sold at no profit whatever.

Senator ALLEN. In what city was this grocery store located?

Mr. HAVEMEYER. St. Joseph, Mo.

Senator ALLEN. Have you any advantages in the territory east of the Missouri River over Mr. Spreckels in the nature of drawbacks from railroads, or otherwise?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. Are you accorded drawbacks on long shipments of your product?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. You have no railroad advantages over other refiners?

Mr. HAVEMEYER. None whatever.

Senator ALLEN. Now, Mr. Havemeyer, you speak of 75,000,000 of American Sugar Refining Company's stock being divided into preferred and common.

MR. HAVEMEYER. Yes, sir.

Senator ALLEN. What do you call the preferred stock?

Mr. HAVEMEYER. We call it preferred.

Senator ALLEN. What makes it preferred; what gives it that name?

Mr. HAVEMEYER. It has a preferential advantage in the profit of 7 per cent.

Senator ALLEN. It is guaranteed stock?

Mr. HAVEMEYER. It is what is called cumulative preferred stock. It is called preferred stock because whatever profit is made by the American Sugar Refining Company it has a preferential interest to 7 per cent, and the accumulated feature means that before any dividend can be paid on the common stock that 7 per cent has to be paid on the preferred.

Senator ALLEN. Is this preferred stock stock that is subject to fluctuations?

Mr. HAVEMEYER. It does get to 50 sometimes. That is what it does do.

Senator ALLEN. There is no guaranty on the part of the company, or mortgage, or security of any kind?

Mr. HAVEMEYER. None whatever.

Senator ALLEN. Only the general corporate responsibility of the company?

Mr. HAVEMEYER. That is all.

Senator ALLEN. Is that true with reference to the common stock?

Mr. HAVEMEYER. That is entitled to what the directors may consider proper.

Senator ALLEN. Is the same corporate responsibility behind the common stock that is behind the preferred stock?

Mr. HAVEMEYER. The same responsibility; yes, sir.

Senator ALLEN. Is there no distinction in the security of the two stocks?

Mr. HAVEMEYER. None whatever.

Senator ALLEN. Then the common stock takes all profits of the company over and above 7 per cent, after the preferred stock; is that correct?

Mr. HAVEMEYER. That is practically correct.

Senator ALLEN. So that the interest of the common stock in the profits may be 14 per cent or it may be nothing?

Mr. HAVEMEYER. But the laws of New Jersey require the directors to keep enough of the surplus profit to keep the business going.

Senator ALLEN. While the profit on the preferred stock can never be beyond 7 per cent?

Mr. HAVEMEYER. Precisely.

Senator ALLEN. Now, you are acquainted with a number of the United States Senators living in the northeastern portion of this country, are you?

Mr. HAVEMEYER. I do not think I go farther north than New York.

Senator ALLEN. But in the section of the country in which you live, you know a number either by sight or name, and possibly both?

Mr. HAVEMEYER. I do not know many. I think I named all I know.

Senator ALLEN. Are you a practical dealer on the stock exchange in New York?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. I am not familiar enough with those names. Are you a man who appears on what they call the board?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. You buy and sell stocks?

Mr. HAVEMEYER. When I buy stock, I buy it there, and when I sell, I sell it there.

Senator ALLEN. Do you buy through the instrumentality of a broker?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. You sometimes engage in selling stock for the purpose of reducing the price of stock?

Mr. HAVEMEYER. Never.

Senator ALLEN. Or buying for the purpose of increasing the price?

Mr. HAVEMEYER. Well, hoping that the price will increase.

Senator ALLEN. Have you such a thing in the sugar market as what are known as bubble stocks? I mean in your sugar-refining companies are there any stocks that are used as, according to your phraseology, bubble stocks, for the purpose of either increasing the price or depressing the price of the regular sugar stock by the use of these stocks?

Mr. HAVEMEYER. No, sir; we have not.

Senator ALLEN. Are any of the sugar certificates of the American Sugar Refining Company used in that way, that you know of?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. Sugar has varied something like 30 points in the last ninety days?

Mr. HAVEMEYER. Yes, sugar stocks have varied about that, I believe.

Senator ALLEN. To what do you attribute that fact?

Mr. HAVEMEYER. I think it is nothing more than the healthy reaction from the fright incident to the infamous act of the House of Represenatives in putting refined sugar on the free list.

Senator ALLEN. The sugar market, or the value of these stocks, is controlled, is it not, by Congressional legislation.

Mr. HAVEMEYER. I do not know how it is controlled. The stock exchange runs that feature of the affair.

Senator ALLEN. Are you a member of the stock exchange?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. I understood you to say that the American Sugar Refining Company had not contributed any money to either the Democratic or Republican party.

Mr. HAVEMEYER. That is it.

Senator ALLEN. Is that true?

Mr. HAVEMEYER. To the best of my knowledge and belief.

Senator ALLEN. Did any members, or holders of stock, or officers of that company contribute anything to the campaign fund of either the Republican or the Democratic party in the year 1892?

Mr. HAVEMEYER. Not that I am aware of.

Senator ALLEN. Did you make any contribution yourself?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. Who are the chief officers of the American Sugar Refining Company?

Mr. HAVEMEYER. H. O. Havemeyer, its president, myself; Theodore A. Havemeyer, its vice-president; William Dick, its second vice-president.

Senator ALLEN. Where does William Dick live? Give his address.

Mr. HAVEMEYER. He lives at Islip, Long Island.

Senator LODGE. I will ask you what, in your judgment, would be the effect on the price of sugar if the present bill becomes a law as it now stands?

Mr. HAVEMEYER. Be very materially increased.

Senator LODGE. About how much?

Mr. HAVEMEYER. Very nearly a cent a pound; that is 33 per cent.

Senator LODGE. Is there anyone now a member of Congress, or a Senator, who is now or has been at any time employed by the American Refining Company as an attorney or counselor?

Mr. HAVEMEYER. No, sir.

Senator DAVIS. What has been the decrease in the price of raw and refined sugars since the passage of the McKinley bill?

Mr. HAVEMEYER. I should say about 2½ cents a pound.

Senator DAVIS. As to each?

Mr. HAVEMEYER. Yes, they were correspondingly reduced.

Senator ALLEN. I think I was asking you at the time we took a recess about whom the officers of the American Sugar Refining Company were?

Mr. HAVEMEYER. Yes, sir.

Senator DAVIS. The last question was about the man who lived at Islip.

Senator ALLEN. Who is the second vice-president?

Mr. HAVEMEYER. The second vice-president is William Dick, who resides at Islip, Long Island. The treasurer and secretary is John E. Searles, of New York. That constitutes the officers.

Senator ALLEN. Who constitute the directors?

Mr. HAVEMEYER. H. O. Havemeyer, Theodore A. Havemeyer, William Dick, F. O. Matthiessen, John E. Searles, John E. Parsons, and W. B. Thomas.

Senator ALLEN. Are there two John E. Searles?

Mr. HAVEMEYER. No; his father is since dead.

Senator ALLEN. What relation does Cord Meyer sustain to the American Sugar Refining Company?

Mr. HAVEMEYER. None whatever.

Senator ALLEN. He is not a member of it?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. Holds none of its stock?

Mr. HAVEMEYER. None that I know of.

Senator ALLEN. Not an officer?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. Is he an attorney of the company?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. When you came here last March, the forepart of last March, which I understand to be the first time you came to Washington in connection with the present bill, did you come at the suggestion of anybody?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. That was the first time in March that you came here in connection with this legislation, was it?

Mr. HAVEMEYER. Yes, sir. I read Mr. Terrell's testimony and wish to confirm that part of it where he states about my coming here.

Senator ALLEN. What was your purpose in coming to Washington and in remaining here?

Mr. HAVEMEYER. My purpose first was to get at least a quarter of a cent a pound differential on refined sugar; a quarter of a cent protection to the refining industry of the United States.

Senator ALLEN. In addition to the differential tax?

Mr. HAVEMEYER. In addition to any tax that was put on raw sugar.

Likewise in the event it was decided to impose a duty on raw sugar, it should be under the ad valorem system, and not under either the specific rate or the uniform rate.

Senator ALLEN. You may now explain as completely as you can the different systems of taxing sugar of which you speak—the uniform rate, the specific rate, and the ad valorem rate, and why you prefer the ad valorem, or what advantage, rather, the ad valorem has over either of the others.

Mr. HAVEMEYER. If I estimate the matter correctly, a just and equitable classification is the proper one. It applies proportionately, as has been said, upon all grades. Under that principle only the ad valorem system meets it, besides which, to the American sugar refining industry it is very important in the classification of raw sugars. No discrimination should prevail against any particular grade on account of the resulting disadvantage to the American sugar industry with the foreign competitors. For instance, England can go in any market and buy where she pleases because she has no duty.

Now if you propose a duty on raw sugars the relative values of these sugars, duty paid, should be undisturbed. There is no system known that will meet that fully but the ad valorem, the only objection against it which is its administration, on the ground of fraud, and I can demonstrate very clearly that that does not prevail against sugar.

Now the other two systems, one of which is called the uniform rate, by assessing 1 cent a pound, for example, upon all grades of sugar, which means 50 per cent on 2-cent sugar and 33⅓ on 3-cent sugar.

The other is what is known as the specific rate, which is an attempt, in view of this charge of fraud, to classify sugars under specific rates adjusted to the ad valorem principle. For instance, if there are only two sugars in the world, one is worth 2 cents a pound, and one is worth 3 cents a pound; and when you propose to put 40 per cent on sugar, you assess the 2-cent sugar at 80 cents per 100, and you assess the 3-cent sugar at $1.20 per 100.

Now, if they were the only two sugars, of course the inequalities that would arise would be very much diminished. Is that clear?

Senator ALLEN. I think I understand it.

Mr. HAVEMEYER. Now, John Sherman, when he was Secretary of the Treasury, discovered that some advantage was being taken of the law, because sugars were classified under groups—Dutch standard groups, Dutch standard being a type of color arbitrarily fixed by people connected with the Dutch Government, and which is always used to classify sugars by the United States. They were classified in groups.

Senator DAVIS. According to colors?

Mr. HAVEMEYER. According to the Dutch standard colors; one group being 13, one being 16 to 20, and one being over 20. The foreign planters of sugar evaded that law by debasing their sugar in color but not in saccharine strength, which is the value to the refiner; and John Sherman determined to collect the revenue on the basis of ——

Senator DAVIS. On the basis of saccharine strength?

Mr. HAVEMEYER. On the basis of saccharine strength.

Senator DAVIS. As measured by the polariscope.

Mr. HAVEMEYER. As measured by the polariscope. I was about to say he introduced the polariscope. The duty on sugar then, when the law began to be revised, was 80 per cent, and it was deemed very unwise to attempt to administer the law on an ad valorem system, and then came about the attempt to adjust the duties under the ad valorem

system by specific rates; that is, it took one class of sugar testing 80, and said we have assessed that at 50 per cent, and, for example, we will say that is a cent a pound. Then they added 3 or 4 cents for each degree to represent a corresponding ad valorem difference on that extra price for the grade.

Senator DAVIS. According to saccharine strength?

Mr. HAVEMEYER. According to saccharine strength.

Senator LODGE. That, substatially, is the first schedule reported by the Senate committee?

Mr. HAVEMEYER. Yes, sir.

Senator LODGE. That was not a uniform rate?

Mr. HAVEMEYER. No, sir; that was a specific rate.

The trouble with that schedule was they began 1 cent a pound, as I understand, to please a certain faction of the Louisiana planters. They would not have anything under a cent a pound. I understand, likewise, it is in the papers, in the air, that the committee would not give them over 1.40 on the refined, and the result was that this mass of sugar between 2 and 3 cents a pound had to be concentrated between them two rates, 1 cent on the lowest, 1.40 on the highest. The lower the rate the less the rate ad valorem; the greater the rate, the greater the rate ad valorem.

What I was here for—I was to attempt, no matter what the rate should be ad valorem, with which I have nothing to do except to express myself, that it is against the interest of the American Sugar Refining Company to have any duty at all on raw sugar—no matter what the rate decided upon should be, I was here to see that it should apply justly and equitably to all, and it could only be done under an ad valorem system. To give them the substance of what they wanted as far as my position was concerned, and to get them to agree with my views.

Senator LINDSAY. I will ask you whether the market rates of the different grades of sugar were so well fixed and so generally understood as that in the administration it would be practicable to prevent frauds in values?

Mr. HAVEMEYER. Yes, sir. The market rates of sugar are as well known to the sugar interest and as open to the public and anybody—the custom-house, the Secretary of the Treasury—as stock-exchange quotations.

Senator DAVIS. If that is so, why did the discoloration of sugar induce the action of Secretary Sherman?

Mr. HAVEMEYER. Then fraud was possible. If you impose a tax of 80 per cent you will find that you have got somebody who wants to cheat you. Then, telegraphy and market quotations in Secretary Sherman's time were different from what they are now. Now, with the telegraph all over the world, and these exchanges that have sprung up dealing in sugar as a commodity, they deal in sugar all over the world as they deal in stocks in New York. The quotations for all grades of sugar are in all exchanges of the world, New York included, daily.

Senator ALLEN. In the nature of things, is not the polariscope test less open to fraud than the Dutch standard test?

Mr. HAVEMEYER. Oh, yes; the Dutch standard is no criterion nowadays.

Senator ALLEN. Then why do you insist upon the Dutch standard test?

Mr. HAVEMEYER. I do not; I insist upon the ad valorem.

Senator ALLEN. In your conversation or consultation with Secre-

tary Carlisle and these Senators on the subject, did you insist upon the adoption of the Dutch standard test?

Mr. HAVEMEYER. The Dutch standard test has no bearing upon raw sugar. It is the dividing line between raw and refined.

Senator ALLEN. Take the 96 sugar of saccharine strength or substance, and by discoloration import it as a lower grade of sugar under the Dutch standard; has not that been done?

Mr. HAVEMEYER. That was under the old law when Mr. Sherman was Secretary.

Senator ALLEN. Could that be done now?

Mr. HAVEMEYER. Oh, no. There is only one dividing line. One comprehends all raw, and one comprehends all refined, and that is 16 Dutch standard.

Senator LODGE. Are there any refineries in England in operation?

Mr. HAVEMEYER. Yes, sir; they refine about 800,000 tons of sugar a year.

Senator LODGE. I thought you stated that England imports her sugar chiefly refined?

Mr. HAVEMEYER. She imports about 600,000 tons and refines about 800,000 tons. Her refining capacity has been very sensibly diminished yearly for the last ten years owing to the production and exportation of beet sugar.

Senator LODGE. England having no duty in favor of her own refined sugar has not enabled her to compete with these other countries.

Mr. HAVEMEYER. No, ——

Senator ALLEN. Have you any financial interest in the refineries in Europe or in England?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. Your financial interests in sugar are all confined to the United States?

Mr. HAVEMEYER. I have a raw-sugar establishment in Cuba.

Senator ALLEN. In Cuba?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. How long have you had that? Is that the American Sugar Refining Company's or H. O. Havemeyer's?

Mr. HAVEMEYER. It is a personal matter.

Senator ALLEN. How long have you had that?

Mr. HAVEMEYER. It was in operation this year for the first time.

Senator ALLEN. You may state if you or the American Sugar Refining Company are interested in any manner in the production of sugars, or in sugar lands, in the Hawaiian Islands?

Mr. HAVEMEYER. No, sir; except that the Western Sugar Refining Company have contracts with the planters of the Hawaiian Islands.

Senator ALLEN. The American Sugar Refining Company has a half interest in the Western Sugar Refining Company?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. In that way you are interested in the production of sugars in the Sandwich Islands?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. Are you alike interested in the production of sugar in any other island, in that or a similar way?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. I think I asked you if you knew of any contributions to political parties by the Sugar Refining Company or anymembers of it, or stockholders, and you said you did not.

. HAVEMEYER. I do not.
ıator ALLEN. Do you know of any Senator of the United States ɔperates upon the stock exchange in buying or selling sugar cer-tes or stock?
. HAVEMEYER. No, sir.
ıator ALLEN. Do you know of any United States Senator who is, ıo is said to be, in financial circles or stock circles in the city of York, engaged in operating in any kinds of stocks upon the stock ınge?
. HAVEMEYER. No, sir.
ıator ALLEN. You have no knowledge upon that subject, or no ſ founded upon any circumstances that came to your knowledge?
. HAVEMEYER. No, sir.
ıator ALLEN. You know that it is commonly reported that certain tors do operate upon the exchange, do you not?
. HAVEMEYER. No, sir.
ıator ALLEN. Buy or sell or speculate in stocks? I am not using echnical language as you talk exchange.
. HAVEMEYER. No, sir.
ıator ALLEN. You know of nothing of the kind and have heard of ng of the kind?
. HAVEMEYER. No, sir; I have not read these articles in the dif-t papers.
ıator ALLEN. Do you know of any United States Senator or Rep-tative in Congress who is acting, or who has been acting, as the t or attorney of the sugar trust or the American Sugar Refining ɔany?
. HAVEMEYER. No, sir.
ıator ALLEN. Do you know of any such Senator or Representative has furnished the trust or the American Sugar Refining Company the information of proposed legislation?
. HAVEMEYER. No, sir.
ıator ALLEN. Or information as to whether a given measure d become a law or would be defeated?
. HAVEMEYER. No, sir.
ıator ALLEN. Do you know of any person engaged in the service e United States who has been doing it?
. HAVEMEYER. No, sir.
ıator ALLEN. I understand you to say you have known Senator ı for a great many years?
. HAVEMEYER. No, sir; I said I had known him for some time, a or so.
ıator ALLEN. He spends most of his time in New York City when ı Washington, does he not?
. HAVEMEYER. I do not know.
ıator ALLEN. Do you know he maintains a residence in the city ew York?
. HAVEMEYER. Yes, sir.
ıator ALLEN. Do you know whether he has an office there?
. HAVEMEYER. No, sir.
ıator ALLEN. Do you know whether he has been engaged recently, ıring the pendency of the present tariff bill, in buying or selling r certificates or sugar stock?
. HAVEMEYER. I know nothing about it.
ıator ALLEN. Or whether Senator Smith, whom you met at the

Arlington Hotel, has been buying or selling sugar certificates or sugar stock during the pendency of the present tariff bill?

Mr. HAVEMEYER. No, sir; I know nothing of him.

Senator ALLEN. Or any other Senator?

Mr. HAVEMEYER. Nor any other Senator.

Senator ALLEN. You were summoned in this city, were you not? You were here when the subpœna was served on you?

Mr. HAVEMEYER. No, sir; I was in New York.

Senator ALLEN. You had been here, however, up to within a few days before that, had you not?

Mr. HAVEMEYER. No, sir; I was only here once, you might say.

Senator ALLEN. Senator Aldrich is a member of the Senate Finance Committee and an active participant in tariff discussion. Did you talk with him about the sugar interest?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. You have never talked with any Republican Senators of the Finance Committee?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. And you have only talked with Democratic members of the Finance Committee, those whose names you have mentioned?

Mr. HAVEMEYER. Only those I mentioned of the Democratic members of the committee.

Senator ALLEN. Was there ever, at any of these meetings, a consultation with these gentlemen, or with any of them, any suggestion on your part that the Democratic party was under some obligation to you, or under some obligation to the sugar interest in this campaign?

Mr. HAVEMEYER. An obligation common to all interests?

Senator ALLEN. Any specific obligation. Any obligation different from the obligation of the interest of the country at large?

Mr. HAVEMEYER. No, sir; never.

Senator ALLEN. You have endeavored since the organization of the sugar trust to control Congressional legislation upon the subject of sugar, have you not?

Mr. HAVEMEYER. Only to secure fair treatment by fair means, which I have a right to do.

Senator ALLEN. And by either coming to Washington in person or having some person to represent you here during the session of Congress?

Mr. HAVEMEYER. I have never had anybody to represent me. I have always done that thing in person.

Senator ALLEN. Mr. Searles, who has been here during the winter, represents your interests, does he not?

Mr. HAVEMEYER. He represents the interests of the American Sugar Refining Company.

Senator ALLEN. That is what I mean, whether the American Sugar Refining Company since its organization, and the American Sugar trust or pool before the organization of the present company, had not endeavored to control legislation of Congress with a view of protecting its interests, and with a view of making money out of such legislation as might be enacted here?

Mr. HAVEMEYER. We have not endeavored to do that, did you say?

Senator ALLEN. I ask you if you have endeavored to do that?

Mr. HAVEMEYER. To protect its interests? Yes; that is what I have been down here for.

Senator ALLEN. In round numbers, what profit has the holders of the American Sugar Refining Company made upon its first capitalization in 1891, $50,000,000 capitalization?

Mr. HAVEMEYER. I could not tell you that. When I came to Washington I had prepared for me a statement showing the manufacture and profit from the time the American Sugar Refining Company went into business until I came down here, and that showed on the amount of sugar they had melted they had averaged a profit of three-eighths of a cent a pound, which I told you would amount to between $20,000,000 and $25,000,000 for the three years.

Senator ALLEN. That would amount to $30,000,000 or $35,000,000 yearly?

Mr. HAVEMEYER. No, sir; for the three years.

Senator ALLEN. Your stock has paid more than that since the organization of 1891, has it not?

Mr. HAVEMEYER. In dividends?

Senator ALLEN. In dividends?

Mr. HAVEMEYER. Oh, no.

Senator ALLEN. What profit does the American Sugar Refining Company make by the issuance of new stock and the buying in of these other refineries which you have spoken of?

Mr. HAVEMEYER. They made none in that transaction. That was a mere exchange.

Senator ALLEN. It was an exchange, but that exchange resulted in consequence of your ability to control that, and control the output in large profit to you, did it not?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. What profit did that result in?

Mr. HAVEMEYER. I can not give you the exact figures.

Senator ALLEN. I mean in round numbers. Of course I do not expect you to give us the exact figures. It is too large a transaction for a man to carry accurately in his mind.

Mr. HAVEMEYER. If I understand your question it is, how the pecuniary result of that transaction to the American Sugar Refining Company compared to what they were doing and what that enabled them to do?

Senator ALLEN. Yes.

Mr. HAVEMEYER. I should say that it was $15,000,000.

Senator ALLEN. That should be added to the $35,000,000?

Mr. HAVEMEYER. No, sir; that is a part of the $25,000,000.

Senator ALLEN. Who was the first United States Senator that you met after coming here in March of this year, and with whom you conversed upon the subject of the pending tariff bill?

Mr. HAVEMEYER. Senator Vest.

Senator ALLEN. Where did you meet him?

Mr. HAVEMEYER. At his house.

Senator ALLEN. You met him on two different occasions, I understand?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. And on each of those occasions you endeavored to explain to him in a perfectly proper way why you should have certain concessions in the sugar schedule?

Mr. HAVEMEYER. The rate under which the duty was to be imposed was to be ad valorem.

Senator ALLEN. Nothing occurred between you and Senator Vest at either of these conversations in the nature of a statement of obligations to the Democratic party, or of the Democratic party to you or your interests?

Mr. HAVEMEYER. Nothing whatever.

Senator ALLEN. Who was the next Senator you met and where did you meet him?

Mr. HAVEMEYER. I think the next man was Senator Hill. I met him at the Normandie, at his rooms.

Senator ALLEN. About when was that?

Mr. HAVEMEYER. Simultaneously—it was all done within two or three days.

Senator ALLEN. Shortly after you came here?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. You talked with him about it?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. Did you go through the whole process of explaining to him your ideas of what the schedule should be?

Mr. HAVEMEYER. As fully as I could, without the practical demonstration of the samples.

Senator ALLEN. Did Senator Hill agree to assist you in your purpose?

Mr. HAVEMEYER. No, sir; he did not agree to anything.

Senator ALLEN. Did you ask him to assist you?

Mr. HAVEMEYER. I asked him for his active, hearty cooperation in the matter.

Senator ALLEN. Had you or the sugar-refining company contributed any to the campaign fund in New York last year?

Mr. HAVEMEYER. The Democratic campaign fund?

Senator ALLEN. Yes.

Mr. HAVEMEYER. Do you mean the national campaign fund?

Senator ALLEN. The Democratic State campaign fund of last year?

Mr. HAVEMEYER. I will have to answer that in the affirmative.

Senator ALLEN. Relatively, to what amount?

Mr. HAVEMEYER. To a moderate amount.

Senator ALLEN. Have you any objection to stating what it was?

Mr. HAVEMEYER. I will have to look that up. I have not charged my mind with it.

Senator ALLEN. Did you also contribute something to the Republican campaign fund?

Mr. HAVEMEYER. I will have to look that up.

Senator ALLEN. What is your recollection as to the fact?

Mr. HAVEMEYER. The local fund?

Senator ALLEN. Yes; the State fund. That is, for the State campaign.

Mr. HAVEMEYER. We always do that. I have not the amount in my mind.

Senator ALLEN. So you contributed as a matter of fact to both parties?

Mr. HAVEMEYER. I will not say I contributed to the Republican party without refreshing my memory.

Senator ALLEN. Is it to your best recollection that you did contribute to both the Republican and Democratic campaign funds in New York?

Mr. HAVEMEYER. I do not think we did contribute to the Republican.

Senator ALLEN. In 1892 did you contribute to either party?

Mr. HAVEMEYER. The local parties?

Senator ALLEN. The national parties?

Mr. HAVEMEYER. No, sir; but always to the local parties. Let that be distinct.

Senator ALLEN. You contributed to the local party, that is, the State party, in 1892?

Mr. HAVEMEYER. I would have to refresh my memory on that. I do not think we did.

Senator ALLEN. Did you contribute to either party or both parties in the State of New York in the election of 1892?

Mr. HAVEMEYER. I do not think we did.

Senator ALLEN. You do not think you did?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. Have you a distinct recollection that you did not.

Mr. HAVEMEYER. My recollection of it is that we made no contributions during the year 1892.

Senator ALLEN. Did any member of the American Sugar Refining Company contribute to the campaign in New York in 1892?

Mr. HAVEMEYER. Not that I am aware of.

Senator ALLEN. Did you contribute individually?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. To neither party?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. And you know of no one who did contribute?

Mr. HAVEMEYER. No, sir. Contributions to local political organizations have always been made by corporations, before the trust and by the trust and the American Sugar Refining Company, and no doubt will continue to be. It is a very suitable and proper thing to do.

Senator ALLEN. You say it is a suitable and proper thing to do?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. Why should the American Sugar Refining Company contribute to either of the political parties in the State of New York?

Mr. HAVEMEYER. We have large interests in this State; police protection and fire protection. They need everything that the city furnishes and gives, and they have to support these things. Every individual and corporation and firm, trust, or whatever you call it, do these things, and we do them.

Senator ALLEN. And you contribute to both parties with the expectation of whichever party succeeds your interests will be guarded?

Mr. HAVEMEYER. We have a good deal of local protection for our contribution.

Senator ALLEN. You expect protection from whichever party succeeds?

Mr. HAVEMEYER. Yes, sir; local protection.

Senator ALLEN. Do you expect that simply from the Democratic party?

Mr. HAVEMEYER. We expect protection from the police and fire department, and anything that the State and local organizations can give.

Senator ALLEN. Therefore you feel at liberty to contribute to both parties?

Mr. HAVEMEYER. It depends. In the State of New York, where the Democratic majority is between 40,000 and 50,000, we throw it their way. In the State of Massachusetts, where the Republican party is doubtful, they probably have the call.

Senator ALLEN. In the State of Massachusetts do you contribute anything?

Mr. HAVEMEYER. Very likely.

Senator ALLEN. What is your best recollection as to contributions made by your company in the State of Massachusetts?

Mr. HAVEMEYER. I could not name the amount. I do not know that we do contribute.

Senator ALLEN. However, in the State of New York you contribute

to the Democratic party, and in the Commonwealth of Massachusetts you contribute to the Republican party?

Mr. HAVEMEYER. It is my impression that wherever there is a dominant party, wherever the majority is very large, that is the party that gets the contribution, because that is the party which controls the local matters.

Senator ALLEN. Then, the sugar trust is a Democrat in a Democratic State, and a Republican in a Republican State?

Mr. HAVEMEYER. As far as local matters are concerned, I think that is about it.

Senator ALLEN. In the State of Maine you control the refinery at Portland, do you not?

Mr. HAVEMEYER. That is defunct. We do not give anything to the State of Maine.

Senator ALLEN. In the State of Pennsylvania where do your contributions go?

Mr. HAVEMEYER, I will have to look that up.

Senator ALLEN. Pennsylvania is a Republican State and your contributions probably go to the Republican party, do they not?

Mr. HAVEMEYER. It would be a local matter. If Philadelphia was——

Senator ALLEN. In the State of your nativity, or the nativity of your corporation, New Jersey, where do your contributions go?

Mr. HAVEMEYER. I will have to look that up.

Senator ALLEN. I understand New Jersey is invariably a Democratic State. It would naturally go to the Democratic party.

Mr. HAVEMEYER. Under the theory I have suggested if they were it would naturally go to them.

Senator ALLEN. What, in round numbers, is the amount annually contributed by the American Sugar Refining Company to the different political parties for campaign purposes?

Mr. HAVEMEYER. There is no fixed amount. I could not guess at it.

Senator ALLEN. Does it amount to $100,000?

Mr. HAVEMEYER. Oh, no; not $25,000.

Senator ALLEN. Did the American Sugar Refining Company contribute anything in 1892 towards securing the nomination of any particular individual to the office of President of the United States?

Mr. HAVEMEYER. Nothing in a national shape in any manner, shape, or form.

Senator ALLEN. Did you contribute to what is known as the "Anti-Snapper Fund?"

Mr. HAVEMEYER. No, sir.

Senator ALLEN. You did not contribute to that at all?

Mr. HAVEMEYER. There is no doubt about positiveness on that point.

Senator ALLEN. In the State of California, did you contribute to the campaign fund of the Democratic or Republican party there?

Mr. HAVEMEYER. I know nothing about that.

Senator ALLEN. That is the Western Refining Company, in which you have a half interest. Does that contribute anything?

Mr. HAVEMEYER. I know nothing about that.

Senator ALLEN. In the State of Louisiana you contribute, however, do you not?

Mr. HAVEMEYER. I know nothing about that.

Senator ALLEN. Who would know about Louisiana and California?

Mr. HAVEMEYER. I believe Mr. Spreckels is the president of the Western refinery.

Senator ALLEN. And this money that you contribute to these differ ent parties for campaign purposes——

Mr. HAVEMEYER. Local campaign purposes.

Senator ALLEN. Certainly; local campaign purposes—that money comes out of the corporation of the sugar refining company?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. And is a part of the expenses of the company?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. Charged up on your books as expenses?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. And the books of your refining company would show the amount of money which you have annually contributed to the respective political parties and the State in which it was contributed, and the party to which it was contributed, would they not?

Mr. HAVEMEYER. I don't think it shows in that form.

Senator ALLEN. How would it show—as so much money?

Mr. HAVEMEYER. It would show that a payment was made, and that payment would have to be explained by the party who made it.

Senator ALLEN. Made to some particular individual?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. He would have to render an account, which would not go upon the books, as to the manner in which that money was expended?

Mr. HAVEMEYER. He would have to expend it in conformity with the instructions of the board.

Senator ALLEN. The manner in which he did expend it actually would not appear upon your books?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. Have you been in the habit of expending any money in connection with State legislatures?

Mr. HAVEMEYER. You mean in the campaign of the State? You do not mean in the legislature itself?

Senator ALLEN. I mean in influencing State legislation.

Mr. HAVEMEYER. Oh, never. We have contributed to local campaign parties, but never in the way of influencing legislation, and we never contribute with any obligation.

Senator LODGE. I will ask you whether any money has been contributed by the sugar trust or any member of the sugar trust toward securing or aiding the election of any U. S. Senator?

Mr. HAVEMEYER. None whatever.

Senator ALLEN. Can you ascertain the amount?

Mr. HAVEMEYER. I can if I apply to the books.

Senator ALLEN. Will you do it?

Mr. HAVEMEYER. If it is the order of this committee I will do anything.

Senator ALLEN. That is, as to each of the different States in which money has been contributed?

Mr. HAVEMEYER. If that is the order of the committee, I will get it.

Senator ALLEN. So far as I am concerned, I request of the witness, Mr. Havemeyer, to produce full data as to all money contributed by the American Sugar Refining Company, or any of its officers on its account or in its interest, in the different States of the Union, in 1892 and 1893, for political purposes of any political party, whether national, State, or local.

Mr. HAVEMEYER. As to National, I will answer now, no; there is none. As to others, there is.

(The request of Senator Allen was granted by the committee, and Mr. Havemeyer asked an opportunity to consult his counsel before furnishing the data called for.)

Senator ALLEN. I understood you to say a while ago in substance that the McKinley act had been a very favorable act for the American Sugar Refining Company?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. And had been enabled to make considerable money out of it?

Mr. HAVEMEYER. Yes, sir; under it.

Senator ALLEN. What sum of money have you been enabled to make under that act which you attribute directly to the act or its operation?

(Mr. Havemeyer was given the opportunity to answer this last question when he shall again appear before the Committee.)

SWORN TESTIMONY OF MR. CORD MEYER.

The CHAIRMAN. What is your full name?

Mr. MEYER. Mr. Cord Meyer.

The CHAIRMAN. What is your age?

Mr. MEYER. I am 39.

The CHAIRMAN. What is your occupation?

Mr. MEYER. I am executor of my father's last will, and president of the Acme Fertilizing Company, and managing partner of Cord Meyer & Co.

The CHAIRMAN. What is the business of Cord Meyer & Co.?

Mr. MEYER. Real estate and investments. I am a director in the Steinway Rail Company, the Kings County Trust Company, and several others.

Senator LODGE. Have you any connection with the American Sugar Refining Company?

Mr. MEYER. None whatever, except as a stockholder. The estate is a stockholder.

Senator LODGE. You are a stockholder in the American Sugar Refining Company?

Mr. MEYER. Yes, sir; at least, my father's estate is.

Senator LODGE. You are an officer of the company?

Mr. MEYER. No, sir.

Senator LODGE. Have you ever been employed by the company in any way?

Mr. MEYER. No, sir.

Senator LODGE. To look after legislation?

Mr. MEYER. No, sir.

Senator LODGE. Have you been here in Washington during the past winter?

Mr. MEYER. Yes, sir; I have been in Washington.

Senator LODGE. Have you been here in the interests of the sugar company?

Mr. MEYER. Except so far as my own interest, being a stockholder, not in the interest of the American Sugar Refining Company. I have never been employed by them or asked to do anything for them.

Senator LODGE. Have you talked with any Senators with regard to the sugar schedule in the tariff bill?

Mr. MEYER. Yes, sir.

Senator LODGE. What Senators?

Mr. MEYER. Senator Smith, who represents the State where the company was incorporated, and my own Senators; Senator Murphy, with whom I am well acquainted, a Senator from my own State.

Senator LODGE. Did you see them before the first schedule was reported by the Finance Committee?

Mr. MEYER. Yes, sir; I saw Senator Smith before the first schedule was published.

Senator LODGE. Did you see them afterwards?

Mr. MEYER. Yes, sir.

Senator LODGE. What did you say to them in regard to that first schedule?

Mr. MEYER. I do not think I talked about that first schedule. I think the first time I saw Senator Smith I talked about bone-black, in which I am very largely interested.

Senator LODGE. You say you talked with both Senator Smith and Senator Murphy in regard to the sugar schedule?

Mr. MEYER. Yes, sir.

Senator LODGE. Will you please state the substance of that conversation?

Mr. MEYER. I tried to impress upon both of them the necessity of protection to the American Sugar Refining Company, and the last time I saw Senator Smith I tried to show that the present schedule was not protection enough, and the only time I think I spoke to Senator Murphy about it was after this schedule had passed. I tried to show him that I did not think there was protection enough to the American Sugar Refining Company.

Senator LODGE. That is the present schedule?

Mr. MEYER. That is the present schedule.

Senator LODGE. Were you opposed to the first schedule, the one proposing specific rates?

Mr. MEYER. Personally?

Senator LODGE. Yes.

Mr. MEYER. Very much.

Senator LODGE. Did you urge upon them arguments against that first schedule which proposed specific rates?

Mr. MEYER. I do not think I did.

Senator LODGE. Did you urge them to interest themselves against it?

Mr. MEYER. I cannot say that I did. I think I only saw Senator Smith twice or three times, and I never talked the sugar schedule with Senator Murphy before this present schedule had passed.

The CHAIRMAN. Had passed?

Mr. MEYER. I mean had been submitted from the committee.

Senator LODGE. Do I understand you to say that you urged upon Senator Smith arguments against the first schedule.

Mr. MEYER. No, sir; I know I did against the last.

Senator LODGE. Against the last?

Mr. MEYER. Yes, sir.

Senator LODGE. And not against the first, as reported?

Mr. MEYER. No, sir; I am not sure whether I did or not. My impression is I did not talk the sugar schedule over with Senator Smith in my last interview with him. The first time I spoke to him was before any schedule had been reported from the committee, and in a general way I urged the necessity of some protection to the sugar-refining company. It was free sugar then as it passed the House.

Senator LODGE. While you were here in Washington, were you in consultation with Mr. Havemeyer or Mr. Terrell?

Mr. MEYER. I met Mr. Terrell once, and saw Mr. Havemeyer, I think, twice on the day he was here. I saw him in the afternoon and I accepted an invitation to dine with him. I dined with him. Then I called again to bid him good-bye, but did not see him.

Senator LODGE. Did you talk with him in regard to the sugar interest?

Mr. MEYER. At the dinner I do not think the sugar question was brought up at all. I am positively sure it was not brought up.

The CHAIRMAN. When was this?

Mr. MEYER. On one of my visits to Washington.

Senator LODGE. Have you been here several times?

Mr. MEYER. Yes, sir; but I might state right here that I did not come on account of the tariff every time I was here. I had a great interest in it and tried to the best of my power to follow up the course of legislation. I came here on political questions; a matter of patronage as well as anything else brought me here. I am a member of my State committee from my Congressional district, and two of my visits were with the chairman of my county committee.

The CHAIRMAN. Did you say "with the chairman," or that you were chairman?

Mr. MEYER. With the chairman. I am a member of the Democratic State committee.

Senator LODGE. It was stated in the Philadelphia Press, in an article published on the 14th of May by Mr. Edwards——

Mr. MEYER. I have read it.

Senator LODGE. It is there stated that you were present at a meeting at the Capitol one Sunday when the tariff bill was under discussion. What have you to say about that?

Mr. MEYER. Do you mean here?

Senator LODGE. Yes.

Mr. MEYER. No, sir; I never was in the Capitol during any consultation.

The CHAIRMAN. "In one room were the Democratic members of the Finance Committee, and also, in the wing of the Capitol were the representatives of the sugar trust. There were Havemeyer, and Terrell, and Meyer, Ben Le Fevre, and others."

Mr. MEYER. I will swear positively I was not here. I never was here at any consultation.

Senator LODGE. Did you talk to any other Senator except Senator Smith and Senator Murphy?

Mr. MEYER. No, sir.

Senator LODGE. You did not talk with any members of the Finance Committee of the Senate?

Mr. MEYER. No, sir.

Senator LODGE. Do you know if any Senator has been speculating in sugar certificates since the 1st of February?

Mr. MEYER. No, sir.

Senator LODGE. You have no knowledge whatever on that subject?

Mr. MEYER. No, sir.

Senator LODGE. Do you know any Senator or Representative who has been at any time the attorney or counsel or representative of the sugar trust?

Mr. MEYER. No, sir.

Senator LODGE. Or in any way connected with it?

Mr. MEYER. No, sir.

Senator LODGE. Does bone black pertain to the refining industry?

Mr. MEYER. Yes, sir; we were originally in the refining business, and if I remember rightly it was our second grade of expense, and I think it came next to labor. They had it on the free list in the House bill. I believe now it is 20 per cent. I am largely interested in rice, that is, myself and friends who compose the Lake Charles Rice Milling Company. I came here purposely to meet the president of that company on one occasion.

Senator LODGE. Boneblack is used very largely in the refining of sugar?

Mr. MEYER. Yes, sir.

Senator LODGE. And you are a manufacturer of boneblack?

Mr. MEYER. Yes, sir.

Senator LODGE. Do you sell your product to the American Sugar Refining Company?

Mr. MEYER. Yes, sir; in part.

Senator LODGE. And partly to independent companies?

Mr. MEYER. And to the other consumers.

The CHAIRMAN. Have you made any contributions to the campaign fund of either political party prior to the election of 1892, for the purpose of securing or defeating legislation?

Mr. MEYER. No, sir. I will say I always contribute. Every election costs me some money.

Senator LODGE. You ran at the head of the Democratic ticket in your State last year?

Mr. MEYER. Yes, sir.

The CHAIRMAN. Do you know of any contributions made by members of the sugar trust, or anyone connected with it, to the campaign fund of either political party for that purpose?

Mr. MEYER. No, sir.

The committee adjourned until to-morrow, June 13, 1894, at 11 o'clock a. m.

WASHINGTON, D. C., *June 13, 1894.*

The committee met pursuant to adjournment.

Present: Senator Gray (the chairman), and Senators Lindsay, Davis, Lodge, and Allen.

SWORN TESTIMONY OF H. O. HAVEMEYER—Continued.

The CHAIRMAN. Now, Mr. Havemeyer, you have stated that you wish to make a statement of some kind.

Mr. HAVEMEYER. It is in relation to the answer that I am to make to that last interrogatory.

The CHAIRMAN. Have you a copy of it with you?

Mr. HAVEMEYER. Yes, sir [handing a paper to the chairman].

The CHAIRMAN. The interrogatory is as follows:

Senator ALLEN. So far as I am concerned, I request of the witness, Mr. Havemeyer, to produce full data as to all money contributed by the American Sugar Refining Company, or any of its officers, on its account or in its interest, in the different States of the Union in 1892 or 1893, for political purposes, to any political party, whether national, State, or local.

Mr. HAVEMEYER. While I am perfectly willing to answer any material matters, under advice of counsel I decline to answer about outside

matters. I decline to answer about local contributions. I know of nothing given to the national campaign. There exists no bargain of any nature, and never claimed that the company was entitled to anything except what its merits required.

The CHAIRMAN. Is that the answer you desire to make to this question?

Mr. HAVEMEYER. That is the answer.

Senator ALLEN. You may state, if you can, the difference of protection to your industry under the McKinley act and what it would be under this act as it is now framed in the Senate—under the Wilson act with the Senate amendments now being considered.

Mr. HAVEMEYER. Under the Senate amendments it is about one-quarter what it is under the McKinley bill.

Senator ALLEN. I understood you to say yesterday that owing to the existence of the American Sugar Refining Company and your ability to control the output of the American sugar trust that sugar has been bringing to the people of the United States three-eighths of a cent per pound more than it would under a system of free refineries?

Mr. HAVEMEYER. I think my testimony was that the profits of the American Sugar Refining Company had been three-eighths of a cent for three years.

Senator ALLEN. Yes; and I understood you to say that sugar was bringing to the American people a little more under this system of the trust than it was under the system of free refineries?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. I understood that part of the difference to be about three-eighths of a cent a pound?

Mr. HAVEMEYER. I said the profits were three-eighths of a cent a pound to the American Sugar Refining Company.

The CHAIRMAN. Senator Allen is asking you whether he understood you to say that the increased cost to the American people of sugar by reason of the trust, so called, under the McKinley bill was three-eighths of a cent a pound.

Senator ALLEN. No; I understood Mr. Havemeyer to say yesterday and to repeat this morning that, owing to the establishment of the sugar trust and the destruction of free refineries, the sugar cost the American people about three-eighths of a cent a pound more than it would under a system of free refineries; that is, under a system of refineries where there is no combination or trust.

Mr. HAVEMEYER. The trouble about answering that question, if I may be allowed to state, is that you frame it in such a way that it involves ruin and destruction in some way to the people connected with the sugar trust. If you will allow me, I will state that since the formation of the sugar-refining company, coupled with the protection granted under the McKinley law, as it is so called, the sugar-refining industry have made a profit of three-eighths of a cent a pound on its sugar.

Senator DAVIS. Let me ask a question there.

Senator ALLEN. Certainly.

Senator DAVIS. Do you mean to say that that three-eighths of a cent a pound would not have been made in case the sugar-refining industry was conducted by independent refineries all over the country?

Mr. HAVEMEYER. I mean to state that before the formation of the trust the competition among American refineries was ruinously disastrous.

Senator DAVIS. To whom?

Mr. HAVEMEYER. To the owners of the property and the capitalists engaged in the business.

Senator DAVIS. Do you mean to say, after they got together and combined in the shape of what we call the trust, that sugar cost three-eighths of a cent a pound more than it would otherwise have cost under previous conditions?

Mr. HAVEMEYER. Under conditions immediately preceding the formation of the trust, yes; three-eighths of a cent a pound; but taking the time of six years, since the formation of the trust, the cost to the consumer has been less than it has been six years previously.

Senator LINDSAY. The cost to the consumer?

Mr. HAVEMEYER. Yes, sir.

Senator LODGE. You state six years. I think there has been some misunderstanding on that point formerly. The trust was formed seven years ago, was it not?

Mr. HAVEMEYER. Yes, sir; I mean since the trust was formed. It was understood here, originally, in speaking of the American Sugar Refining Company, the words "sugar trust" should be used. The distinction is perfectly clear.

Senator LODGE. I understand that. I wanted to get from you an authentic statement of what I understand to be the fact, that the sugar trust was formed in 1887 and that it was dissolved in 1890?

Mr. HAVEMEYER. The latter part of 1890.

Senator LODGE. Following the decision of the New York court of appeals?

Mr. HAVEMEYER. Precisely.

Senator LODGE. And that that necessitated its being reformed under a new corporation?

Mr. HAVEMEYER. Yes, sir; early in 1891.

Senator LODGE. Early, in 1891?

Mr. HAVEMEYER. Yes, sir.

Senator LODGE. And early in 1891, after the decision of the New York court of appeals, it was reformed as the American Sugar Refining Company as a corporation?

Mr. HAVEMEYER. Yes, sir.

Senator LODGE. You have stated that the profits have been three-eighths of a cent a pound?

Mr. HAVEMEYER. The manufacturing profits.

Senator LODGE. The manufacturing profits have been three-eighths of a cent a pound, and that would not have been made by the independent refineries, which destroyed each other?

Mr. HAVEMEYER. Immediately preceding the formation of the trust.

Senator LODGE. What has been the reduction of price to the consumer since 1890? You stated that yesterday, but I want to ask you again.

Mr. HAVEMEYER. I should think it was nearly 3 cents a pound.

Senator LODGE. That has been the reduction of price to the consumer?

Mr. HAVEMEYER. Yes, sir.

Senator LODGE. What would you estimate the increased price to the consumer under the proposed bill?

Mr. HAVEMEYER. A cent a pound from the present price.

The CHAIRMAN. Did you claim yesterday, and do you claim now, by reason of the economies that have resulted from the consolidation of the refineries, that the price of sugars has been reduced below what

it otherwise would have been, without reference to tariff or anything else?

Mr. HAVEMEYER. No, sir; I did not make that statement. I made a statement that the margin between raw and refined for the six years since the formation of the trust had been less than the six years prior to the formation of the trust and that advantage accrued to the consumer.

Senator DAVIS. When was this so-called trust formed?

Mr. HAVEMEYER. In 1887. It was dissolved in 1890, and reincorporated in legal form in 1891, under the laws of the State of New Jersey.

Senator DAVIS. What was the cost of refined sugar just previous to the formation of the trust in 1887?

Mr. HAVEMEYER. I can not tell you; that is a matter of record, and I do not charge myself with things that are matters of record.

Senator DAVIS. What was it just previous to the reformation of the trust in 1891?

Mr. HAVEMEYER. I will have to make the same answer to that?

Senator DAVIS. Can you not tell?

Mr. HAVEMEYER. No, sir; I can not tell. At a certain period there was a duty of over 2 cents a pound on sugar. Naturally when that was removed under the McKinley bill the public got the benefit of it. But the sugar refining industry is concerned merely with the margin between raw and refined sugar. It is in that margin that the cost of expenses, the difference in the degree of polarization of the sugar, and the profit to the American Sugar Refining Company comes in. If that margin is large it is at the expense of the consumer. If that margin is small it is to the benefit of the consumer.

Senator DAVIS. I understand that. I want now to put another question to you.

Mr. HAVEMEYER. You must excuse me from furnishing you figures that are matters of record, and I can not do it from my memory.

Senator DAVIS. I will ask you to state the decrease in the price of refined sugar to the people, if there was any, since this so-called trust began to be formed. I want to get at your experience to enable me to get an answer to that end. The question is, how much have you reduced, if at all, the price of sugar, since you began your operations as a trust, to the consumer?

Mr. HAVEMEYER. In the margin between the raw and refined we have reduced it about 6 cents a hundred, and in purchasing almost all the raw material in the United States we have reduced it at least one-fourth of a cent a pound.

Senator LINDSAY. During the six years that this reduction has been taking place in America, has not also the reduction in the production of sugar been correspondingly great in Germany and Austria?

Mr. HAVEMEYER. The reduction in price to the consumer which I speak of refers exclusively to the operation of the sugar trust. Outside of that there has been a very great reduction in the price of sugar, owing to its immense production all over the world. In addition to that, since the trust was formed, the McKinley bill has taken off the duty of 2 cents on sugar, which has been a greater reduction to the consumer. There are three causes for that: First, the trust furnishing at a cheaper margin; second, the great reduction under the McKinley bill; and, third, the enormous production of sugar, which has reduced the price—all of which has accrued to the benefit of the American consumer.

Senator LINDSAY. Is not this the further fact, that the trust, being

able to fix the price in America, has it not been the policy of the trust to fix it just low enough to keep out refined sugar made in foreign countries?

Mr. HAVEMEYER. That is the business, practically, of the American Sugar Refining Company.

Senator LINDSAY. And you have so fixed it as to practically exclude all foreign competition?

Mr. HAVEMEYER. Yes, sir; as protection to our own business. Every pound of foreign sugar consumed in this country is at the expense of the American Sugar Refining Company, and any diminution of the meltings of the Sugar Refining Company means an increased cost to the [illegible] of manufacture.

Senator LINDSAY. I will ask you another question: Is refined sugar sold to the consumers in the United States at a higher or a lower rate than it is sold to the consumers in Germany, Austria, and other sugar-producing countries?

Mr. HAVEMEYER. You mean the product of the manufacturers in the United States?

Senator LINDSAY. Oh, no; I mean the refined sugars that are consumed in the world. Are they sold in America at a higher or lower rate to the consumer than they are sold in Austria, Germany, and other sugar-producing countries?

Mr. HAVEMEYER. Will you allow me to modify that question?

Senator LINDSAY. Yes.

Mr. HAVEMEYER. When you say "sold" it strikes me as if you were bringing in the American company as a seller. However, it is three-fourths of a cent lower in Germany to the consumer. It is made directly from the beet, the beet juice, and in the United States involves a sugar-refining profit.

Senator LINDSAY. Therefore the consumer of sugar in Germany does not pay as much?

Mr. HAVEMEYER. Oh, I am wrong there. The German Government, you know——

Senator LINDSAY. I wish you would first answer my question. What are the relative rates to the consumer of refined sugar in Germany and America?

Mr. HAVEMEYER. I believe the price of sugar to the consumer in Germany is 1 cent a pound higher than that to the American consumer.

The CHAIRMAN. What did you mean by your first answer?

Mr. HAVEMEYER. I mean the bonded price. You know Germany puts about 2 cents a pound duty on sugar consumed there. I mean, the export price of Germany as compared with the consumer's price in New York.

The CHAIRMAN. Then the price is made higher in Germany by reason of the Government tax?

Mr. HAVEMEYER. Yes, sir.

Senator LINDSAY. So sugar can be produced in Germany——

Mr. HAVEMEYER. In all countries of the world, England excepted.

Senator LINDSAY. Your statement is that refined sugar can be produced in Germany for three-fourths of a cent a pound less than it can be refined under the McKinley bill in America?

Mr. HAVEMEYER. No, sir. Ignoring the profit to the manufacturer, I should say that sugar can be refined in Germany from the juice for one-quarter of what it can be refined from the raw sugar in the United States.

Senator LINDSAY. What is the cost, taking the existing conditions—

what is the cost to the manufacturer in Germany as compared with the cost of the like quality of refined sugar to the American manufacturer?

Mr. HAVEMEYER. In Germany it does not exceed one-eighth of a cent. In America it is about half a cent.

Senator LINDSAY. And yet the German consumer is compelled to pay the German grocer 1 cent a pound more than the American consumer pays the American grocer?

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. By reason of the tax that Germany imposes on the producer?

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. How about the selling rates of the ordinary grade of sugar used in ordinary families in England, compared with the same rate in this country?

Mr. HAVEMEYER. It is about a quarter of a cent also.

The CHAIRMAN. In England?

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. Not more than that?

Mr. HAVEMEYER. No, sir; except that portion which is supplied from Germany.

The CHAIRMAN. Is not that a very considerable portion?

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. How much less is that?

Mr. HAVEMEYER. That is at least half a cent a pound less.

The CHAIRMAN. Half a cent a pound less?

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. Than it is in this country?

Mr. HAVEMEYER. Yes; the quality is a little poorer.

Senator ALLEN. How many sugar-refining companies were there in the United States before the formation of the trust in 1887?

Mr. HAVEMEYER. Roughly, twenty.

Senator ALLEN. How many are there to-day?

Mr. HAVEMEYER. In number?

Senator ALLEN. How many sugar-refining companies are there to-day in the United States?

Mr. HAVEMEYER. I think seven.

Senator ALLEN. So the number has been reduced from twenty to seven under the existence of the trust?

Mr. HAVEMEYER. Yes, sir.

Senator DAVIS. What was the capacity before the trust?

Mr. HAVEMEYER. During the formation of the trust they represented 65 per cent capacity. To-day the trust represents about 80 per cent.

Senator ALLEN. What I want know of you is this: The sugar-refining interest was enabled to develop and grow without the aid of the trust, before the formation of the trust, to the number of twenty in the United States?

Mr. HAVEMEYER. There has been a very gradual diminution of the number of refineries immediately preceding the trust. Twenty are what remained of the chaos and disaster.

Senator ALLEN. How long had they been in operation before the formation of the trust?

Mr. HAVEMEYER. A number of years.

Senator ALLEN. They had been able to develop and exist without the trust, had they not?

Mr. HAVEMEYER. They had been able to hold their own without the trust, but were not making any money.

Senator ALLEN. They had evidently made some money, at least a sufficient amount of money to exist and do business.

Mr. HAVEMEYER. No, sir; they had not made any money.

Senator ALLEN. But they had made enough to exist, had they not?

Mr. HAVEMEYER. Oh, yes; to exist, barring those who had failed and gone out of business.

Senator ALLEN. In fact, the very purpose of the formation of the trust, as I understand you, was for the purpose of advancing the price of sugar to the American consumer?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. And when you did form the trust you did advance the price of sugar to the American consumer?

Mr. HAVEMEYER. We did.

Senator ALLEN. From what?

Mr. HAVEMEYER. From the prices immediately preceding the formation of the trust; from the disastrous times to the prosperous times.

Senator ALLEN. How much of an advance was that per pound to the consumer?

Mr. HAVEMEYER. It was an advance of about a quarter of a cent net.

Senator ALLEN. That is, you made an advance sufficient to cover the expenses and a profit of a quarter of a cent?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. And you have been able to maintain those prices relatively since the formation of the trust?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. And you maintain them now?

Mr. HAVEMEYER. Yes, sir; against the prices immediately preceding the trust. But for a period of six years since as compared with the six years prior, there has been a slight reduction of 6 cents a hundred to the public.

Senator ALLEN. It is true, as you stated yesterday and stated this morning, that the formation of a trust was designed to advance the price to the American consumer, and as a matter of fact to advance that price to him about three-eighths of a cent per pound?

Mr. HAVEMEYER. No, sir; the first year it was one-quarter, and for the last three years three-eighths.

Senator ALLEN. And the American consumer is to-day paying three-eighths of a cent a pound on refined sugars more than he would be compelled to pay under a system of free refineries?

Mr. HAVEMEYER. You mean separate refineries?

Senator ALLEN. Yes.

MR. HAVEMEYER. Yes, sir; on the basis of their doing business at a loss.

Senator ALLEN. If the trust were wiped out the American consumer would be benefited to the extent of three-eighths of a cent a pound on his sugar?

Mr. HAVEMEYER. I am not sure of that.

Senator ALLEN. At least——

Mr. HAVEMEYER. If you mean by the operations of the sugar-refining interest as it exists to-day, or by separate refineries without the trust, doing business at a loss, the benefit to the consumer would be three-eighths of a cent. I will admit that. But anything that will wipe out the trust will wipe out the industry.

Senator ALLEN. However, the industry did exist before the trust?

Mr. HAVEMEYER. In a most disastrous condition.

Senator ALLEN. If it were not for this tax which is imposed under the McKinley act on the importation of refined sugar, or the tax that

is to be imposed under the Wilson bill as the Senate amendment now stands to-day, how cheaply could foreign-made refined sugars be put in this market; that is, what difference between the present price of sugar to the American consumer and the price under that state of affairs?

Mr. HAVEMEYER. That is rather a difficult question to answer.

Senator ALLEN. If all taxes on refined sugar in this country are wiped out, could you compete successfully with the foreign manufacturer of refined sugar?

Mr. HAVEMEYER. We could not. It would be absolute ruin to the industry.

Senator ALLEN. How much would they be able to undersell you?

Mr. HAVEMEYER. At least a quarter of a cent a pound.

Senator ALLEN. And now you are able to outsell them how much?

Mr. HAVEMEYER. Three-eighths, as I say.

Senator ALLEN. You have more than a one-eighth margin. Do you not have more than that?

Mr. HAVEMEYER. I said we have three-eighths.

Senator ALLEN. Do you not have more than three-eighths of a cent a pound over foreign manufactured sugars now?

Mr. HAVEMEYER. Not profit.

Senator ALLEN. What would be the difference, or what is the difference, barring the tax on sugars, between the completed foreign manufactured article and the American article?

Mr. HAVEMEYER. I have said one-fourth of a cent.

Senator ALLEN. I understand it to be true that the German Government gives a drawback on her sugars?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. Exported to this country?

Mr. HAVEMEYER. That is between one-eighth of a cent and two-tenths—between 12½ cents and 20 cents a hundred. The report to the U. S. Government through an official sent there to determine what it was that it was about 22 cents a hundred, the export bounty.

Senator ALLEN. At the same time the German Government destroys largely the benefit of that tax in the export of sugar to that country by the benefit of a tax to the producer.

Mr. HAVEMEYER. Not that I know.

Senator ALLEN. Does not the Government exact of the manufacturer of the sugar in that country a direct tax of 15 cents a hundred pounds?

Mr. HAVEMEYER. I understand that the duty exacted by the Government of Germany is in the shape of an excise tax and a refund made on the exportation, and the refund on the exportation is a bounty of 20 cents a hundred. In other words, the refund by the German——

Senator DAVIS. That is 50 cents on a hundred pounds?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. My understanding is this, that on every 100 pounds of sugar the Government of Germany allows the exporter about 20 cents?

Mr. HAVEMEYER. On every pound exported.

Senator ALLEN. You mean on every 100 pounds exported?

Mr. HAVEMEYER. Yes, sir; on every 100 pounds exported of refined sugar.

Senator DAVIS. I understood you to say that the German Govern-

ment remitted the excise tax, and in addition allows a bounty of 20 cents a hundred for export?

Mr. HAVEMEYER. It is not exactly in that form.

Senator DAVIS. I want to get it in shape.

Mr. HAVEMEYER. They charge a certain excise duty, and they remit a certain amount of that duty when sugar is exported; but the mode by which it is calculated gives the exporter a bonus of 20 cents per 100 pounds.

Senator DAVIS. Does that eliminate or wipe out the excise?

Mr. HAVEMEYER. Naturally.

Senator DAVIS. And does it do anything else to it?

Mr. HAVEMEYER. Yes, sir. It gives this bounty of 20 cents a hundred.

Senator ALLEN. The German Government grants what amounts to a bounty of 20 cents on 100 pounds on exported sugar, does it not, and at the same time deducts from that an excise tax of about 15 cents a hundred?

Mr. HAVEMEYER. No, sir; that is not the way it is done.

Senator ALLEN. On the manufacture of sugar, so that the net profit to the exporter of German sugar amounts to only about 5 cents on the 100?

Mr. HAVEMEYER. That is not so. The difference to the exporter of German refined sugar is nearer 20 cents than it is 12½ cents per 100 pounds.

Senator DAVIS. Plus the excise?

Mr. HAVEMEYER. No; that difference.

Senator ALLEN. Since your examination yesterday you have consulted counsel as to the propriety of answering questions with reference to divulging the amount of money that you paid for election purposes in the different States?

Mr. HAVEMEYER. As to making any answer.

Senator ALLEN. And in declining to answer the question put to you I observed that you read your answer from a piece of paper?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. Was that answer prepared by you or by your counsel?

Mr. HAVEMEYER. By me.

Senator ALLEN. Under the direction of your counsel?

Mr. HAVEMEYER. No, sir; under the advice of counsel.

Senator ALLEN. I do understand you, however, to say and repeat, that in States where you have a financial interest, at least where the sugar refining company has an interest as refiners, you do contribute to either the Democratic or Republican party, as one or the other may be in the ascendency in that State?

Mr. HAVEMEYER. We do for local and State purposes, but not national.

Senator ALLEN. You never contribute to the campaign fund of a party in the minority?

Mr. HAVEMEYER. We may; I will not say we do not.

Senator ALLEN. Your policy, however, is to stand in with the ruling power?

Mr. HAVEMEYER. Not to "stand in," but to contribute to the campaign expenses of that party, for the reason that they, being in power and control, it could give us the protection we should have.

Senator ALLEN. And by that means you placate——

Mr. HAVEMEYER. Oh, no; there is no placation or obligation at all;

nothing more than we consider the proper thing to do; everybody does it.

Senator ALLEN. Does any other corporation in these same States do the same thing that you know?

Mr. HAVEMEYER. I understand every individual, corporation, and firm in existence do it in their respective States.

Senator ALLEN. So the American Sugar Refining Company's politics, so far as its contributions to the campaign fund is concerned, is controlled by the political complexion of the State in which it happens to have a particular refinery?

Mr. HAVEMEYER. The American Sugar Refining Company has no politics of any kind.

Senator ALLEN. Only the politics of business?

Mr. HAVEMEYER. Only the politics of business.

Senator LINDSAY. You say the company is separate and distinct from the officers and stockholders; each man has his own politics?

Mr. HAVEMEYER. We have nothing to do with politics in any shape or manner. Our business is the refining of sugar at a slight profit that is consistent with a reasonable return on the industry.

SWORN TESTIMONY OF HAMILTON P. BURNEY.

Senator DAVIS. What is your full name?

Mr. BURNEY. Hamilton P. Burney.

Senator DAVIS. Are you one of the hotel clerks at the Arlington?

Mr. BURNEY. Yes, sir.

Senator DAVIS. How long have you been such?

Mr. BURNEY. Ten years.

Senator DAVIS. Continuously?

Mr. BURNEY. Except during the summer season, when I have been in the habit of going to the summer resorts.

Senator DAVIS. You have been clerk at the Arlington during the whole of this present year?

Mr. BURNEY. Yes, sir.

Senator DAVIS. What room has Mr. Terrell occupied in the hotel during the present year?

Mr. BURNEY. He has occupied different suites of rooms; some in the new part of the house and some in the older part of the house.

Senator DAVIS. How long has he been here during the present year; how much of the time?

Mr. BURNEY. He has been here off and on all winter—several times.

Senator DAVIS. What rooms has Mr. H. O. Havemeyer occupied during the present year?

Mr. BURNEY. Once before, early in the winter, he occupied Nos. 232 and 233. At present he is occupying 206 and 207.

Senator DAVIS. What rooms has Mr. Reed, of Boston, had?

Mr. BURNEY. He is occupying rooms 202 and 203.

Senator DAVIS. What U. S. Senators, if any, have you known to visit the rooms of either of these gentlemen during the present year?

Mr. BURNEY. I have known Senator Brice to call on Mr. Terrell, and Senator Aldrich calling on Mr. Reed. Senator Aldrich lives at the Arlington.

Senator DAVIS. How many times have you known Senator Brice to call on Mr. Terrell?

Mr. BURNEY. I can not answer that definitely. At different times during Mr. Terrell's stay Senator Brice has called on him.

Senator DAVIS. How many times has Senator Aldrich called on Mr. Reed?

Mr. BURNEY. They are friends.

Senator DAVIS. How many times would you say Senator Aldrich has called upon Mr. Reed?

Mr. BURNEY. I should say several times; I can not give you definitely the number of times.

Senator DAVIS. Do you know of Senator Smith, of New Jersey, calling on any of these gentlemen?

Mr. BURNEY. No, sir; I do not.

Senator DAVIS. Do you recollect any other United States Senator calling on these gentlemen, especially during the month of March of this year?

Mr. BURNEY. No, sir; I do not.

Senator DAVIS. Were these calls open, or secret and furtive matters?

Mr. BURNEY. I should say they were open.

Senator DAVIS. Were any cards sent up?

Mr. BURNEY. I would not be positive as to that. Senator Brice rarely sent his card. He usually sent his name.

Senator DAVIS. Was there more than one elevator in the Arlington?

Mr. BURNEY. Yes, sir; two.

Senator DAVIS. Both passenger elevators?

Mr. BURNEY. Yes, sir.

Senator DAVIS. Any back elevator or freight elevator in that hotel?

Mr. BURNEY. No, sir.

Senator DAVIS. What truth is there in the statement that has been published that Senators have been conducted to the rooms of these gentlemen connected with the sugar trust by means of a freight or back elevator?

Mr. BURNEY. There is no truth in it whatever.

Senator DAVIS. There is no such elevator?

Mr. BURNEY. No, sir; there is no such elevator.

Senator ALLEN. The evidence introduced here tends to show that on the night of the 6th of March last there was a meeting in room 34, occupied by Mr. Terrell. Do you know of such a meeting?

Mr. BURNEY. No, sir.

Senator ALLEN. Were you what was known as the front clerk or room clerk at that time?

Mr. BURNEY. Yes, sir; I was on duty that evening.

Senator ALLEN. Mr Terrell occupied room 34, did he not?

Mr. BURNEY. At that time; yes, sir.

Senator ALLEN. Did you have occasion to show anybody to his room?

Mr. BURNEY. No, sir.

Senator ALLEN. Or know of any Senator going to his room or being in his room?

Mr. BURNEY. No, sir.

Senator ALLEN. Who would be likely to know around the hotel?

Mr. BURNEY. I would be the most likely to know.

Senator ALLEN. If any Senators went into that room that night, they did not go by sending up their cards in the ordinary way, did they?

Mr. BURNEY. Not to my knowledge.

Senator ALLEN. If they went you would know if they sent their cards up, and you would be the one to present the cards?

Mr. BURNEY. Yes, sir; but I do not remember any such circumstance.

Senator ALLEN. Do you mean that you do not know whether they did or not, or simply that you do not remember?

Mr. BURNEY. I do not remember.

Senator ALLEN. Would it not be a suspicious circumstance in your mind to see a Senator going to those rooms under existing circumstances?

Mr. BURNEY. No, sir.

Senator ALLEN. Has anybody talked with you before you came here as to your general course of testifying?

Mr. BURNEY. No, sir.

Senator ALLEN. Has Mr. Roessle?

Mr. BURNEY. No, sir.

Senator ALLEN. Mr. Ross or anybody else?

Mr. BURNEY. No, sir.

Senator ALLEN. You did not charge your mind with who may have gone to this room?

Mr. BURNEY. At that time?

Senator ALLEN. Yes.

Mr. BURNEY. No, sir.

Senator ALLEN. Have you any means of knowing, any register or record kept that would enable you to know?

Mr. BURNEY. No, sir; we keep no record of cards or callers.

Senator ALLEN. You know, as a matter of fact, by rumor at least at the time, that Mr. Havemeyer, Mr. Terrell, Mr. Reed, all of whom were guests at your hotel, were representing the sugar-refining interest before Congress, did you not?

Mr. BURNEY. No, sir; I can not say that I did.

Senator ALLEN. You know they were known at the time as sugar men, did you not?

Mr. BURNEY. I did not think Mr. Terrell was a sugar man.

Senator ALLEN. You did not think he was?

Mr. BURNEY. No, sir. I know Mr. Reed——

Senator ALLEN. How do you remember Senator Brice went to the room of Mr. Terrell a number of times and not be able to remember any other Senator that went there?

Mr. BURNEY. Senator Brice and Mr. Terrell have more or less always been friendly since Senator Brice has been in Washington.

Senator ALLEN. Do you know Mr. Terrell's occupation?

Mr. BURNEY. No, sir; only by hearsay.

Senator ALLEN. What do you know by hearsay?

Mr. BURNEY. That he is a lawyer.

Senator ALLEN. In New York?

Mr. BURNEY. Yes, sir.

Senator ALLEN. Is he not reputed in Washington to be what is commonly known as a lobbyist?

Mr. BURNEY. I never heard it.

SWORN TESTIMONY OF JOHN E. SEARLES.

The CHAIRMAN. What is your age, Mr. Searles?

Mr. SEARLES. Fifty-three.

The CHAIRMAN. And your occupation?

Mr. SEARLES. Sugar refining.

The CHAIRMAN. Residence?

Mr. SEARLES. Brooklyn, N. Y.

The CHAIRMAN. You say your business is sugar refining. Are you connected with the American Sugar Refining Company?

Mr. SEARLES. I am secretary and treasurer of the American Sugar Refining Company.

The CHAIRMAN. Is that the company that was known before its incorporation in New Jersey as the trust?

Mr. SEARLES. It is, practically. At that time it was the Sugar Refineries Company, which was popularly known as the trust.

The CHAIRMAN. Was the incorporation in New Jersey of the American Sugar Refining Company the incorporation of the interests that had previously been combined under that name since 1887?

Mr. SEARLES. The American Sugar Refining Company, when it was organized in January, 1891, purchased all the properties of the Sugar Refineries Company.

Senator LODGE. It was practically a continuance of the organization which was formed in 1887?

Mr. SEARLES. It was composed of the same properties.

The CHAIRMAN. Have you been in Washington during the present session of Congress?

Mr. SEARLES. Yes, sir; more or less.

The CHAIRMAN. How often? And during what period?

Mr. SEARLES. Since the latter part of January I have been here possibly one-third of the time.

The CHAIRMAN. What was your business here?

Mr. SEARLES. My business here was to protect, if I could, the interests of the stockholders of my company.

The CHAIRMAN. Protect in what way?

Mr. SEARLES. By securing from the Senate an improvement on the schedule reported to the Senate from the House on sugar.

The CHAIRMAN. In pursuance of that purpose, what did you do?

Mr. SEARLES. I called upon some members of the Senate Finance Committee in order to explain to them the inequity of the schedule as it came from the House.

The CHAIRMAN. What Senators did you see for that purpose?

Mr. SEARLES. I called upon Senator Jones, of Arkansas, whom I understood to be the chairman of the subcommittee of the Finance Committee having the matter in charge.

The CHAIRMAN. When did you call upon him first?

Mr. SEARLES. I could not state the day.

The CHAIRMAN. As nearly as you can?

Mr. SEARLES. I should say in February.

The CHAIRMAN. Where did you call upon him?

Mr. SEARLES. At his house.

The CHAIRMAN. Did you see him?

Mr. SEARLES. I did.

The CHAIRMAN. Anyone with you?

Mr. SEARLES. No, sir.

The CHAIRMAN. You had a conversation with him in regard to the matter that you called upon him about?

Mr. SEARLES. I had quite a lengthy conversation with Senator Jones.

The CHAIRMAN. What was the purport of it?

Mr. SEARLES. I explained to him the result to the sugar industry in this country of the House schedule, and I stated to him that I understood that in the Senate it was proposed to put a tax upon sugar.

That if that were done it was of very great importance to the sugar-refining industry, and also in the interest of the consumers that that tax should be laid in such a way as to promote the importation by the refiners in this country of all grades of raw sugar in order to give us access to the markets of the world for our supplies. Senator Jones asked me what my suggestion was, and I told him that nothing would be so equitable to all interests as an ad valorem tax, inasmuch as that put us more nearly on a par with countries where raw sugars were free in competition for the raw sugars of the world.

Senator LODGE. Did you know Senator Jones before this?

Mr. SEARLES. No, sir; I had never met him before I called at his house.

The CHAIRMAN. How were you introduced to him?

Mr. SEARLES. I had a letter of introduction to him from a Mr. Kerens.

The CHAIRMAN. Where from?

Mr. SEARLES. Of St. Louis, I think.

The CHAIRMAN. Was he in the city?

Mr. SEARLES. He was in the city. A gentleman whom I met casually, and in talking of the different members of the committee, Mr. Kerens stated that he was acquainted with Senator Jones, of Arkansas, and further stated that he believed him to be a very fair-minded man, and one who would gladly listen to any statement of facts concerning the sugar-refining industry, or any other, with the view of ascertaining what was just and right, and he volunteered that if I was not acquainted with him he would give me a letter of introduction, which I asked him to do.

Senator LINDSAY. That is, R. C. Kerens?

Mr. SEARLES. R. C. Kerens; yes, sir.

The CHAIRMAN. What explanation did you make to Mr. Jones at that time? The reason why ad valorem would be more fair to your industry than a specific tax?

Mr. SEARLES. I said to Senator Jones that the production of sugar was largely increasing in Europe at the expense of the other countries of the world; that the introduction of beet sugars throughout Europe had brought the percentage of sugars produced in the world up to about 60 per cent of beet as compared with 40 per cent of cane sugars within the last two decades; that in consequence the beet-sugar market had become more and more, through speculative influences in London, the controlling factor as to the price of sugar in the world; that if the tariff was so constructed as to work in favor of beet sugars, or of the cane sugars of Cuba, what we call centrifugal sugars, higher grades of sugar, it would put it out of the power of American refiners to draw their supplies from the East Indies and from those countries which make the cruder sugars of the world.

That under the present law, the McKinley law, with free raw sugar, we are competitors on even terms with London, which is the other great sugar market, and that we were able, under existing conditions, to get our sugars from all over the world. We bring sugars from the East Indies and from Java, and from the South American countries where the cruder sugars are made, in competition with London, but that the moment any uniform tariff were adopted fixing the same duty on all raw sugars, or a tariff under which the low-grade sugars pay a higher percentage of duty relatively than the high grades, England would have the advantage in the purchase of all such sugar, and we would be limited to the high-grade sugars of Cuba and beet sugar.

That this would make it possible to control the price of those raw sugars in the London market in such a way that the cost of sugars in this country to the consumer would be very largely increased, in my judgment.

The CHAIRMAN. Did you contend that a specific instead of ad valorem would have that effect?

Mr. SEARLES. Yes, sir.

Senator LODGE. That it would have that effect, whether it were a uniform specific rate or a graded specific rate?

Mr. SEARLES. If the graded specific rate could be so adjusted as to bring it to the ad valorem basis, it would answer the same purpose, but it is almost impossible to do that, as was shown in the first bill prepared by the Senate Finance Committee, an attempt to grade sugars under a specific duty, so that it might accomplish the same thing, and it was an utter failure in that regard. It would have excluded us from all the countries making the cheaper grades of sugar.

The CHAIRMAN. Well, just go on and give the purport of all that was said to Senator Jones.

Mr. SEARLES. Senator Jones listened very courteously to all I had to say in the matter and then presented the objection which had been raised against the ad valorem principle. He spoke of the general antipathy to ad valorem duties, and asked me whether I thought an ad valorem duty could be collected with the same certainty and with the same safety to the Government as against any fraud as a specific duty. I explained to him that under existing conditions there was no difficulty whatever on that score; that there are in New York to-day quotations from every market in the world—cable quotations of the f. o. b. value, or free on board value, at these different countries—and that there could not be a variation which would jeopardize in any degree the revenue from sugar; that this check would always be in the hands of the customs officials—the different grades of sugar and the quotations on the day the invoice was made—always accessible to the Government, and whatever may have been the condition years ago, with the present cable facilities and customs of the sugar trade any fraud of that kind would be impossible.

The CHAIRMAN. How long did this interview last, about?

Mr. SEARLES. I should think I was there fully an hour.

The CHAIRMAN. Was any different conclusion arrived at by Senator Jones?

Mr. SEARLES. Nothing different. Senator Jones said he was very glad indeed to get the information which I had given him, and that it should be fairly considered. I took occasion to say that I felt as though the sugar-refining industry should be treated with the same fairness as other industries. I think he mentioned the fact that a very strong prejudice existed by reason of its being in one large corporation, or largely so, and I told him I thought that ought not to prejudice the industry as such, that the American Sugar Refining Company was entitled as a manufacturing corporation to the same treatment as a dozen different firms in the same business would be. He stated that he wanted to do what was fair and to treat the industry with the same fairness with which any other would be treated.

The CHAIRMAN. Was any other argument or consideration urged upon him by you than such as you have indicated?

Mr. SEARLES. Nothing whatever.

The CHAIRMAN. Did you speak to him of the indebtedness of the

Democratic party to the sugar trust or to the members of the sugar trust?

Mr. SEARLES. No, sir; no such suggestion was ever made.

The CHAIRMAN. Was any suggestion made of a character different from what you have stated?

Mr. SEARLES. Nothing whatever that I recollect.

The CHAIRMAN. If there had been, would you recollect it?

Mr. SEARLES. I think I should.

The CHAIRMAN. You think that was in January?

Mr. SEARLES. I think that was in February; I am not certain as to the date.

The CHAIRMAN. How often did you see Senator Jones?

Mr. SEARLES. I did not see Senator Jones again until after the committee had framed its first schedule, embodying a specific duty. I had then another interview with him, in which I explained that so far as its affording any proper grading of raw sugars it was very unfair to the lower grades of sugar, and that it would, in my judgment, very seriously embarrass the importation of raw sugar and would enhance the cost of refined sugars to the consumers in this country.

Senator LODGE. Was this before the schedule was reported to the Senate?

Mr. SEARLES. I think it was the day before the schedule was reported.

Senator LODGE. You had seen the schedule?

Mr. SEARLES. I had seen, or at least had seen in the newspapers, the proposed schedule, and asked Senator Jones whether the schedule published in the newspapers was correct. He told me it was, substantially; and from that standpoint I entered my protest against it in the way in which I have stated. Senator Jones asked me to show him how it was, as I had stated, an unfair schedule; and I figured it out for him, and at the end of my calculation he said: "Well, I am bound to admit that your figures are correct, but this is the best we can do and you probably will have to abide by it." I told him I felt as though it was not the right thing to do; that the committee should report a schedule which was indefensible, and I felt as though it was a mistake. But he stated that they were in a position where they could not make it any different. I made several suggestions as to how I thought it might be improved, but he said they could not be entertained, for the reason that the Louisiana Senators would not accept less than the maximum provided for raw sugars, and that the committee would not go above the figures named for refined sugar, and that, notwithstanding there was an inequity in the grading, he saw no help for it.

Senator LODGE. Did you see him after the schedule was reported?

Mr. SEARLES. I did not.

Senator LODGE. Did you see him again?

Mr. SEARLES. I have never seen him from that time to this.

The CHAIRMAN. Those were the only two interviews you had with Senator Jones?

Mr. SEARLES. The only two interviews I had with Senator Jones.

The CHAIRMAN. Was anything said at the second interview other than the urging of such arguments as you have indicated?

Mr. SEARLES. Nothing whatever.

The CHAIRMAN. What other members of the Finance Committee, or what other Senator, did you see in regard to the matter you have in hand?

Mr. SEARLES. I saw Senator McPherson.

The CHAIRMAN. Where did you see him?

Mr. SEARLES. At his house.

The CHAIRMAN. When?

Mr. SEARLES. Some time in February, I think.

The CHAIRMAN. Had you known him before?

Mr. SEARLES. Yes, sir; I had known him for several years. Coming from New Jersey, where one of our largest refineries is located, he was to some extent familiar with the sugar business, and I went to him to explain to him the necessity of using what influence he might have with the committee to see that the raw-sugar schedule was properly arranged.

The CHAIRMAN. When did you say this was?

Mr. SEARLES. In February, I think.

The CHAIRMAN. At his house?

Mr. SEARLES. At his house.

The CHAIRMAN. Do you recollect whether he was something of an invalid at that time?

Mr. SEARLES. He was. He had just returned from the South at the time I saw him, and he was evidently laboring under the influence of his illness.

Senator LODGE. Was he one of your stockholders?

Mr. SEARLES. Not that I was aware of. I am not aware that he has ever appeared on the books of the company as a stockholder.

The CHAIRMAN. Your list of stockholders never is the same? It is subject to change?

Mr. SEARLES. Yes, sir; changes every day, but we have a great many stockholders whose names never appear. Sugar stock is transferred in blank, and while 100,000 shares may be sold out in the market, possibly 5,000 will be all the transfers that will be made.

The CHAIRMAN. Why?

Mr. SEARLES. Why, the certificates are transferred like bank bills, exchanged with blank indorsements. The percentage of actual transfers of stock is not over 5 per cent of the transactions on the stock exchange.

Senator LINDSAY. The people who are to receive the dividends are required to be holders of stock? You list the stocks?

Mr. SEARLES. The dividend is paid to stockholders of record. Any person who wishes to secure the dividend must have the stock transferred to his name.

Senator LINDSAY. It passes by delivery?

Mr. SEARLES. Yes, sir.

The CHAIRMAN. How often did you see Senator McPherson?

Mr. SEARLES. I think I saw him twice; I do not recollect any more interviews with him.

The CHAIRMAN. Where did you see him next?

Mr. SEARLES. I think, possibly, a fortnight later, at his house.

The CHAIRMAN. What occurred at that interview?

Mr. SEARLES. Nothing more than to urge upon him that in the committee he do what he could to secure a proper adjustment of the sugar schedules on an ad valorem basis.

The CHAIRMAN. At either of those interviews did you remind him in anyway, or suggest to him, any indebtedness of the Democratic party to the sugar trust or to any members of the sugar trust for campaign contributions?

Mr. SEARLES. No, sir; I never made that suggestion to anyone, Senator.

The CHAIRMAN. You say you never have?

Mr. SEARLES. No, sir.

The CHAIRMAN. Or any kindred suggestion?

Mr. SEARLES. No, sir.

Senator LODGE. What view did Senator McPherson take of the subject?

Mr. SEARLES. My impression when I left Senator McPherson was that he recognized the justice of what I had stated, that he understood the matter, and that it met his approval, and that he should be very glad to do what he could to see that the matter was properly arranged.

Senator LODGE. Was this second interview after the first schedule was reported?

Mr. SEARLES. It may have been after it was reported, but my impression is that it was before it was reported to the Senate but when it had been reported in the newspapers.

Senator LODGE. About the same time that you had your second interview with Senator Jones?

Mr. SEARLES. About the same time; yes, sir.

The CHAIRMAN. What other Senator? Just go on and state any other Senator to whom you addressed yourself in this matter.

Mr. SEARLES. I also called upon Senator Smith, of New Jersey, one of our other Senators. He represented a sugar-refining industry where we had a sugar refinery, and stated to him, as I had to Senator Jones and Senator McPherson, the reasons why I thought we should have a tariff arranged upon the ad valorem basis.

The CHAIRMAN. Where did you see Senator Smith?

Mr. SEARLES. At his rooms in the Normandie.

The CHAIRMAN. How often did you see him?

Mr. SEARLES. Oh, I should say I may have called upon him three or four times.

Senator LODGE. You presented to him the same arguments as to the others?

Mr. SEARLES. Precisely.

Senator LODGE. What were his views of it?

The CHAIRMAN. Did you present any different argument?

Mr. SEARLES. No other arguments. Senator Smith seemed to appreciate the force of the argument—of the reasoning, and stated that he would do what he could to explain the matter to other Senators on the Finance Committee and secure such an adjustment as would be equitable.

The CHAIRMAN. What other Senators did you see?

Mr. SEARLES. I saw also Senator Gorman, he having a refinery interest in Baltimore. I explained to him that the value of that refinery in his State would depend entirely upon a proper adjustment of the sugar schedule, and used with him the same arguments in favor of the ad valorem system.

Senator LODGE. What attitude did he take?

Mr. SEARLES. He did not commit himself, but said that he would think the matter over and talk with others about it, and that he felt that the sugar industry should be treated as fairly as every other, and saw no reason why, unless there was some difficulty of administration of an ad valorem tariff, such a schedule should not prevail.

Senator LODGE. How many times did you see Senator Gorman?

Mr. SEARLES. I should think I was at his house as many as four times.

The CHAIRMAN. What difference was there in his attitude, if any,

towards the question at any of these interviews from what you have described at the first?

Mr. SEARLES. At the subsequent interviews he explained to me that the Louisiana Senators seemed very much opposed to the ad valorem as compared with the specific tariff; that they were very much in favor of the specific tariff in place of the other, and that he thought they ought to be made to see that the ad valorem tariff was equally to their advantage, as I had claimed it was equally advantageous to the producer as well as the refiner. I can not recall the conversations from time to time, but that was one suggestion I remember. He stated that he had, or was prepared to do what he could with the members of the committee to secure such an arrangement as would be right, and he believed the ad valorem was best for all concerned.

The CHAIRMAN. Did you urge at any of these interviews any arguments different in character from those you have indicated?

Mr. SEARLES. None whatever.

The CHAIRMAN. You think you saw him three or four times?

Mr. SEARLES. Yes, sir.

The CHAIRMAN. More than that?

Mr. SEARLES. I think not; I think I met him on the street one day, but not to have any interview with him on the subject of any importance.

The CHAIRMAN. Did you ever see him at the Capitol?

Mr. SEARLES. I saw him once at the Capitol, and that enables me to correct a statement made in reference to Senator Jones. I had forgotten for the moment that I received word from Senator Jones that he wished to see me at the Capitol at a time when the schedule was pending in the committee, and I came up here and in his committee room, I think it was, Senator Gorman and Senator Camden were present, and Senator Jones explained to me that he had been unable to figure out the ad valorem business in accordance with the statement I had made to him, and that he wished me to make some explanation, and I did. I sat down and figured with him on the different grades of raw sugar.

The CHAIRMAN. With whom was that?

Mr. SEARLES. Senator Jones. Senator Gorman was present in the room, and so was Senator Camden. You asked me if I ever saw Senator Gorman in the Capitol, that is the only time.

The CHAIRMAN. Who else were present?

Mr. SEARLES. No others. Senators Gorman and Camden were present.

The CHAIRMAN. Did you ever see him at any other time at the Capitol, or in any committee room at the Capitol?

Mr. SEARLES. I had no interview with Senator Jones except the three I have named, and had no other interview with Senator Gorman at the Capitol.

The CHAIRMAN. What other Senator have you seen in this matter?

Mr. SEARLES. I saw Senator Caffery. Had one conversation with him in reference to the ad valorem business.

The CHAIRMAN. Where and when?

Mr. SEARLES. It was early in February. I tried to explain to Senator Caffery——

The CHAIRMAN. Where? You have stated when.

Mr. SEARLES. I met him at the room of Senator White, of Louisiana. Senator White was at that time still Senator, and I met the two gentlemen at Senator White's room.

The CHAIRMAN. Did you meet him by appointment?

M. SEARLES. By an appointment; yes, sir.

The CHAIRMAN. Through whom?

Mr. SEARLES. I think I solicited an appointment with them.

The CHAIRMAN. With both of them?

Mr. SEARLES. With both of them. At least, I possibly asked for an appointment with Senator White, and he invited Senator Caffery to be present. I think that was the way. I then explained to both those gentlemen the advantages, as I saw them, of the ad valorem tariff, and urged upon them that whatever percentage might be agreed upon as the tax on raw sugar, that it be fixed on the ad valorem basis.

The CHAIRMAN. Did they argree with you?

Mr. SEARLES. They did not. They stated that they thought their people were in favor of specific as against the ad valorem, and I tried to show them that it was through lack of appreciation of certain features of the sugar business to which their attention had not been called, and asked them to confer with their people in reference to the matter and see if they could not secure their support to the ad valorem principle.

The CHAIRMAN. Did you see either or both of those Senators at any other time?

Mr. SEARLES. I do not recollect any other interview with Senator Caffery. I think, subsequently, I had one interview with Senator White, for a few moments only, and that was at a time after he had been appointed justice, or had been nominated for the place, but had not yet taken his position. He was still Senator, but he told me that in view of his situation he did not propose to interest himself further in the matter.

The CHAIRMAN. Well, what other Senators have you had any interviews with?

Mr. SEARLES. I had an interview with Senator Murphy, from our own State, in which I covered substantially the same ground with the same arguments, asking him to do what he could with members of the committee to secure an ad valorem tariff.

The CHAIRMAN. Was that after the rate in the present bill—the rate suggested by what is called the Senate amendments—had been adopted?

Mr. SEARLES. Prior to that.

Senator LODGE. What was his attitude in regard to it?

Mr. SEARLES. He stated that he did not understand the matter very well, but that he would gladly do what he could to secure proper action by the committee.

The CHAIRMAN. How often did you see him on that subject?

Mr. SEARLES. I do not recollect but two interviews with Senator Murphy.

The CHAIRMAN. Where was the first interview?

Mr. SEARLES. At his house, and the second also.

The CHAIRMAN. What was the character of the second interview?

Mr. SEARLES. I do not remember distinctly, but it was along the same line.

Senator LODGE. Was the second interview after the adoption of the first schedule?

Mr. SEARLES. I think it was.

Senator LODGE. You were opposed to that first schedule?

Mr. SEARLES. I was, most emphatically.

Senator LODGE. And did all in your power to have it changed?

Mr. SEARLES. I did.

The CHAIRMAN. What other Senator?

Mr. SEARLES. The only other Senator whom I remember was Senator Aldrich. I have had interviews with Senator Aldrich on the subject from time to time.

The CHAIRMAN. Where and when?

Mr. SEARLES. At his rooms at the Arlington.

The CHAIRMAN. How often?

Mr. SEARLES. Well, I have had more interviews with him, growing out of the fact that he is a friend of very many years standing, and I may have seen him—do not suppose I have seen him on the tariff matter possibly more than half a dozen times.

The CHAIRMAN. What was the character of those interviews?

Mr. SEARLES. Asking that if by any possible chance it should come within his province to secure any adjustment of the tariff which would be in the line of ad valorem tariff, that he would use his influence in that regard.

The CHAIRMAN. Was anything said about rates of ad valorem tariff or differential in favor of the refined?

Mr. SEARLES. I have always, in the matter of rates, said that it was immaterial to us what was the rate; that that was a matter to be fixed by the committee with a view to the revenue required; that the only thing we were interested in was the method of applying it. Whether 25 or 50 per cent, it was immaterial to us.

The CHAIRMAN. Any interest in a differential?

Mr. SEARLES. In the differential we are interested, and I have always, in connection with the advocacy of the ad valorem, argued that there be a differential duty on refined sugars which would give us a fair protection.

The CHAIRMAN. In these conversations with the other Senators, or with Senator Aldrich did you mention any rate?

Mr. SEARLES. I think I mentioned a quarter of a cent a pound as being a rate that would be just to the sugar-refining industry of this country.

The CHAIRMAN. What was Senator Aldrich's attitude on that question?

Mr. SEARLES. I think he has always stated that he thought that would be equitable, but that he was not in a position to influence the rate, as he was in the minority, and the schedule was entirely in the hands of the people on the other side of the House.

Senator LODGE. Did you suggest to him that the Republican party was under any obligations on account of campaign contributions?

Mr. SEARLES. No, sir.

The CHAIRMAN. What other Senator have you seen?

Mr. SEARLES. I do not remember to have spoken with any other Senators on the subject.

The CHAIRMAN. Have you ever been present in the Capitol or elsewhere with the Finance Committee or the subcommittee of the Finance Committee, or any members of them, when they have had this matter under consideration?

Mr. SEARLES. No, sir.

The CHAIRMAN. Were you present here on any Sunday or at any time during the pendency of this bill when the matter was under consideration in the Capitol, in any room of the Capitol?

Mr. SEARLES. The only time I was here is the time of which I spoke; my interview with Senator Jones.

The CHAIRMAN. Was that on Sunday?

Mr. SEARLES. The second interview I had with Senator Jones was on Sunday.

The CHAIRMAN. At the Capitol?

Mr. SEARLES. At the Capitol.

The CHAIRMAN. Where?

Mr. SEARLES. In Senator Jones' room.

The CHAIRMAN. Senator Jones' committee room?

Mr. SEARLES. Yes.

The CHAIRMAN. Not the Finance Committee room?

Mr. SEARLES. No, sir.

The CHAIRMAN. That was in Senator Jones' room?

Mr. SEARLES. Senator Jones' room. Second interview. I think I have spoken of referring to the first schedule of the committee.

The CHAIRMAN. Were there any other persons interested in sugar refining present at that time?

Mr. SEARLES. There was no other person present but myself and Senator Jones.

The CHAIRMAN. And no other person in the building, so far as you know?

Mr. SEARLES. Not so far as I know.

The CHAIRMAN. Did you come there by appointment?

Mr. SEARLES. Yes, sir.

The CHAIRMAN. With whom?

Mr. SEARLES. By appointment with Senator Jones.

The CHAIRMAN. For what purpose did he ask you?

Mr. SEARLES. To inquire as to the effect of this schedule and as to whether there was any way in which it could be improved to make it more equitable. Senator Jones understood from my previous conversation with him that this schedule was defective, I think, and I judge that this interview was with the view to see whether it was possible to make it in any way more equitable and yet not to change it.

The CHAIRMAN. What was the schedule suggested by you to improve it in that way?

Mr. SEARLES. The schedule, as prepared by the committee, provided that on sugar testing not above 80 degrees there should be a duty of 1 cent per pound; that there should be then from 80 to 90 degrees one one-hundredth of a cent additional for each degree; from 90 to 96 degrees, two one-hundredths, and on all sugars above 96 degrees 1.40. I explained to Senator Jones that they were putting the least difference per degree on the lower grades of sugar where the difference in value was greatest. He asked me to explain, and I said to him this: "You have already studied this sugar question sufficiently to know that the commercial value of a degree of sugar is six one-hundredths of a cent."

He said "Yes, that I understand." "Very well," I said, "you have also found that on a sugar testing 80 degrees 2½ cents a pound is a maximum price." He said, "Yes, I think that is true." "Very well," I said, "if you tax a sugar costing 2½ cents a pound 1 cent, 80 degrees, you are taxing that sugar just 40 per cent, aren't you?" He said, "Yes, that is 40 per cent." Then I asked, "Isn't it right that for every additional degree worth six one-hundredths of a cent you should tax that additional degree 40 per cent also?" He said, "Yes, go on; that is fair." "Very well," I said, "40 per cent of six one-hundredths is 2.40 per degree instead of 1, as you have it in your bill, and from 80 degrees up to purity, 100 degrees, there are 20 degrees.

At 2.40 that would give you 0.48 cents for purity in raw sugar." He said "Yes." "Very well. You say that you are willing to give the

refiners an eighth. Add 12 cents to that, and it would make refined sugar 1.60 instead of 1.40." "That is true," he said, "but our committee will not give more than 1.40 per hundred. That can not be done. The committee will not tax refined sugar above 1.40. What then can you do?" I said "The only other thing to do is to begin with 80 degrees and tax that sugar at eight-tenths of a cent. That will bring you to 1.40 on refined sugar." He replied "Yes; but the Louisiana Senators will not take eight tenths of a cent for 80-degree sugar. They want a cent protection on that."

I answered, "Then you ask me to adjust equitably the difference between 80-degree sugar and refined sugar with a difference of only four-tenths of a cent. It is impossible; it can not be done, and all pretense to an ad valorem basis is destroyed." He said, "Well, that is the best we can do. The Louisiana people have put in a peg at 80 degrees for 1 cent per pound, the committee have put another on refined at 1.40, and there we are." "Very well," I said, "if that is the case, you are simply guilty of putting before the Senate a schedule which is indefensible according to your own admission, and it does not seem to me right that a great industry like the sugar-refining industry should be put in any such position as that." And with that our interview closed.

The CHAIRMAN. How does that differ, if it does differ, from the present proposed schedule of 40 per cent and an eighth differential?

Mr. SEARLES. How does what differ?

The CHAIRMAN. The schedule you were then discussing.

Mr. SEARLES. There is a difference of two-tenths of a cent in the raw-sugar schedule between 80 and 100. Under the present schedule, whatever the value of raw sugar it pays duty proportionately. If we buy raw sugar worth 2½ cents a pound, we pay 40 per cent. If we buy raw sugar worth 3 cents, we pay 40 per cent on that. The intrinsic value of 2½ and 3 cents is fixed by the polarization of raw sugar. Commercially, we estimate the value per degree at six one-hundredths of a cent. For instance, I buy a Cuba Muscovado sugar, 90 degrees, at 3 cents per pound.

Senator LINDSAY. At 40 per cent you would pay $1.20 by way of tax.

Mr. SEARLES. Yes, sir; all sugar is sold subject to test on delivery. The bill of purchase provides that for every degree less than 90 degrees which that sugar may polarize on arrival there shall be deducted six one-hundredths of a cent, so that if the sugar tests only 88 I get 12 cents off per hundred pounds. If it tests only 86, I get 24. If it tests 91, I have to add 6 cents. So that the commercial value of each degree is fixed at 6 cents. If 40 per cent ad valorem is taken as the starting point on the lowest grade, each additional degree must bear 40 per cent in order to be on a parity with that grade of raw sugar. And that was the fault of the first schedule of the committee. They took each degree one one-hundredth instead of 2.40 one-hundredths per degree. The effect of that would have been to exclude us altogether from the low-grade sugars of South America and of the East Indies and the Spanish islands.

The CHAIRMAN. Does 40 per cent and an eighth differential give you the protection you desire?

Mr. SEARLES. No, sir. We do not think that one-eighth is sufficient differential to give us adequate protection. The 40 per cent as applied to raw sugars is just and equitable. We have no fault to find with that. But when you fix the protection on refined sugar, the differentials, we believe that one-eighth is insufficient, and that it should be not less than one-fourth.

The CHAIRMAN. Insufficient for what purpose?

Mr. SEARLES. Insufficient to protect us from being made the dumping ground of the surplus from the European refiners.

The CHAIRMAN. You were asked by Mr. Lodge, a moment ago, in reference to the Senators you have seen and talked with on this subject, whether you had seen Mr. Brice.

Mr. SEARLES. I have never met Mr. Brice.

The CHAIRMAN. You know him.

Mr. SEARLES. I do not. I have never spoken with him.

Senator LODGE. Is he one of your stockholders?

Mr. SEARLES. Not to my knowledge.

Senator Lodge. Would you be likely to know?

Mr. SEARLES. I should only know by referring to my transfer books to see whether his name appeared. I have no knowledge that he has ever been a shareholder of the company.

Senator LODGE. Are any of these other Senators you mention shareholders?

Mr. SEARLES. Not to my knowledge.

Senator LODGE. Do you know of any connected with any of these Senators who is a stockholder of the company?

Mr. SEARLES. I do not.

The CHAIRMAN. You know of no Senator who is a stockholder in the company?

Senator LODGE. Did you see Senator Hill?

Mr. SEARLES. I did not.

The CHAIRMAN. Were you ever present, in the summer of 1892 or the summer of 1893, on Mr. Benedict's yacht with Mr. Cleveland?

Mr. SEARLES. No, sir.

The CHAIRMAN. Do you know Mr. Benedict?

Mr. SEARLES. I do not.

The CHAIRMAN. Do you know Mr. Cleveland?

Mr. SEARLES. No, sir. I have called upon Mr. Cleveland some years ago at the White House, during his first term, but have never spoken with him since.

Senator LODGE. Did you see Mr. Carlisle while you were here?

Mr. SEARLES. I did. I called upon Mr. Carlisle after learning from Senator Jones that objection had been raised to the ad valorem form of tariff because of the possibility of fraud. I called upon Secretary Carlisle and asked him whether, in his judgment, such an arrangement of the tariff would be objectionable to the Treasury Department.

Senator LODGE. What was his reply?

Mr. SEARLES. His reply was that he thought it was not objectionable; that, on the contrary, in his opinion, it would be a perfectly safe form of collecting the revenue.

Senator LODGE. Did you see him more than once?

Mr. SEARLES. I think I saw him only once.

Senator LODGE. And that was at the Treasury Department?

Mr. SEARLES. At the Treasury Department. I have known Mr. Carlisle for many years.

The CHAIRMAN. For what purpose did you call upon him?

Mr. SEARLES. To ascertain whether there was, on the part of the Treasury Department, any objection to the ad valorem form of collecting revenue on sugar.

The CHAIRMAN. Do you mean to the administration of such a rate?

Mr. SEARLES. Yes, sir.

Senator LODGE. Would you prefer the present schedule to a sched-

ch carried 40 per cent ad valorem on raws and 45 per cent ad
ı on refined?
EARLES. I would prefer the 45 per cent. I never had that prop-
however, submitted to me by anybody as possible.
HAIRMAN. Did you ever submit it to anybody else?
EARLES. No, sir.
HAIRMAN. Did you ever submit it to Mr. Carlisle?
EARLES. No, sir.
tor LODGE. Did you ever know of a schedule in that form being
liscussion in the Finance Committee?
EARLES. Ad valorem on refined also?
tor LODGE. Yes, sir.
EARLES. Except as I saw it in the newspapers.
tor ALLEN. How long have you been an officer of the American
Refining Company?
EARLES. Since its organization.
tor ALLEN. That was when?
EARLES. The 10th of January, 1891.
tor ALLEN. Were you an officer of the Sugar Refineries Com-
efore that?
EARLES. Yes, sir; from its organization.
tor ALLEN. And when was it organized?
EARLES. In October, 1887.
tor ALLEN. Before the organization of the Sugar Refineries
ny you were operating an independent refinery, were you?
EARLES. Yes, sir.
tor ALLEN. What was that refinery known as?
EARLES. The Havemeyer Sugar Refiuing Company.
tor ALLEN. That was owned by whom?
EARLES. It was an incorporated company. The stock was held
e half dozen persons, of whom I was one.
tor ALLEN. You were an officer of that company?
EARLES. I was secretary and treasurer.
tor ALLEN. Were you also the owner of stock in some other
?
EARLES. No, sir.
tor ALLEN. How many independent refineries of sugar were in
ited States at the time of the organization of the Sugar Refiners
ny in 1887?
EARLES. I think nineteen or twenty.
tor ALLEN. How many refineries are there in the United States

EARLES. Independent of the American Sugar Refining Com-

tor ALLEN. Independent of the American Sugar Refining Com-

EARLES. Five.
tor ALLEN. What are they?
EARLES. Five or six. There is the McCahan refinery in Phila-
, the Mollenhauer in Brooklyn, the National at Yonkers, the
son at New Orleans. I don't know the name of the one at
ands in Texas.
tor ALLEN. There is one in Boston?
EARLES. The Revere in Boston.
tor ALLEN. There is one in Portland, Me., an independent
?

Mr. SEARLES. No, sir.

Senator ALLEN. How many of the American refineries are now embraced in the American Sugar Refining Company?

Mr. SEARLES. Eight active refineries.

Senator ALLEN. And the total number then has been reduced since the organization of the American Sugar Refining Company?

Mr. SEARLES. In number they have been reduced, and in capacity increased.

Senator ALLEN. Does the American Sugar Refining Company refine to the full capacity of all its factories?

Mr. SEARLES. No, sir.

Senator ALLEN. What is the occasion of its failure to refine to the full capacity of its factories?

Mr. SEARLES. The fact that some of the plants, by reason of location and their character, can not be worked as economically as others, and the better refineries have been doubled in capacity and improved rather than to operate refineries which, through bad location or poor machinery, could not be operated as economically.

Senator ALLEN. What number of the refineries in the American Sugar Refining Company are entirely closed?

Mr. SEARLES. I think five.

Senator ALLEN. And two in active operation?

Mr. SEARLES. Oh, yes; more than that.

Senator ALLEN. I thought you said you had seven refineries?

Mr. SEARLES. No. I spoke of eight as active refineries.

Senator ALLEN. And five belonging to what we call the sugar trust, and now belonging to the American Sugar Refining Company, are closed?

Mr. SEARLES. Yes, sir.

Senator ALLEN. And when were they closed?

Mr. SEARLES. Well, excuse me. I say five closed. There are not five closed; there are only four.

Senator ALLEN. Four closed and one operating partially?

Mr. SEARLES. The sugar consumption of the country is, during one half of the year, only about 60 per cent of what it is in the summer time. The consequence is that we have to have a surplus refining capacity, or sufficient refining capacity to supply the whole country during the months of August and September, and carry as idle plant 40 per cent of that capacity during these other months of the year.

Senator ALLEN. So that you closed up some of the factories?

Mr. SEARLES. Entirely. Yes, sir, as was always done prior to the formation of the trust.

Senator ALLEN. And is your output as great now as it was when all these factories were running independently?

Mr. SEARLES. Very much increased.

Senator ALLEN. What is the difference in price of sugar now to the American consumer as compared to its price at the time the American Sugar Refining Company was organized?

Mr. SEARLES. The price to the consumer is very much less. It is less by 3 cents a pound to the consumer than it was before the American company was organized.

Senator ALLEN. That company was organized to control the price of sugar in the American market and to the American consumers, wasn't it?

Mr. SEARLES. We have never controlled the market or the production of sugar. We were organized with the purpose of economizing the

cost of manufacture, and to distribute to all parties the results of the business in some equitable arrangement.

Senator ALLEN. Mr. Havemeyer, who testified before you, said that the price of sugar was increased to the American consumer three-eighths of a cent a pound in consequence of the organization of the American Sugar Refining Company. Was that statement correct?

Mr. SEARLES. I think that must have been a misunderstanding of Mr. Havemeyer's testimony. He probably testified that the profit of refining was three-eighths of a cent a pound. The margin of cost between raw and refined sugar has been no greater since the organization of the American Sugar Refining Company or the sugar trust, so called, than it was with the 20 independent refineries prior to its organization.

Senator ALLEN. But you have been enabled to make more money?

Mr. SEARLES. Yes, sir.

Senator ALLEN. How do you make that money?

Mr. SEARLES. By economy in manufacture.

Senator ALLEN. In labor?

Mr. SEARLES. In appliances and administration.

Senator ALLEN. You have developed the machinery of refining since that time?

Mr. SEARLES. We have developed the machinery somewhat, but the economy lies in this direction: Under the old régime, when the consumption was decreased, every refiner, in trying to keep his refinery in operation rather than close it up, was obliged to cut down his production 25 per cent, 40 per cent, sometimes 50 per cent, at an enhanced cost of frequently one-eighth of a cent a pound on the entire product of his sugar. Under the existing arrangement, when the market will not take, that is, when the people will not buy the sugar, we reduce the production of sugar to the actual consumption of the country, not by trying to run all the houses at the increased cost on our product of one-eighth of a cent a pound, which means millions of dollars, but we close up the factories which cost the most per pound to operate, and only run those which can be run with the greatest economy, and run those to their full capacity.

Senator ALLEN. Your purpose, then, is to control the output and not to manufacture more sugar than the country demands at any time?

Mr. SEARLES. Precisely.

Senator ALLEN. And by that means get rid of the competition that would otherwise exist between free factories?

Mr. SEARLES. Undoubtedly.

Senator ALLEN. That was one of the purposes of the formation of the American Sugar Refining Company, was it not?

Mr. SEARLES. It was found that the money that was being wasted in an attempt to run these properties—individual properties—in competition, the money that was really being wasted in administration, would be sufficient to pay a profit on the business if it could be handled in unison and that profit divided among the people interested.

Senator ALLEN. The consumers at that time were getting the benefit of that free competition?

Mr. SEARLES. They had competition after that.

Senator ALLEN. To enable the refiners to make more money and reduce the cost of producing sugar, refined sugar, and to control the American sugar market, the American Sugar Refining Company was established, you say. That is correct, is it?

Mr. SEARLES. The company was established in order to save the

waste of the independent administration and make a profit to the refiners without increasing the cost to the consumer.

Senator ALLEN. That does not answer the question. I asked you if you had any purpose of controlling the American sugar market by the organization of the American Sugar Refining Company?

Mr. SEARLES. We had naturally the purpose of eliminating the competition under which there was waste in the management of the business.

Senator ALLEN. You have succeeded, haven't you, in fixing the price? The American Sugar Refining Company has succeeded in fixing the price of sugar for the American consumer?

Mr. SEARLES. We fix the price of our own product only.

Senator ALLEN. And you produce what proportion of the total refined sugars of the United States?

Mr. SEARLES. About 80 per cent.

Senator ALLEN. You thereby fix the price of all refined sugars, do you not?

Mr. SEARLES. No, sir.

Senator ALLEN. Are any refined sugars made in this country sold in competition with yours?

Mr. SEARLES. Undoubtedly; 20 per cent.

Senator ALLEN. Sold lower than yours?

Mr. SEARLES. Frequently.

Senator ALLEN. Will you name any company that sells its product lower than you sell yours?

Mr. SEARLES. The McCahan, the Mollenhauer, and the National companies have all, within the last sixty days, been underselling the prices of the American Sugar Refining Company.

Senator ALLEN. How long has that competition existed?

Mr. SEARLES. It has existed from time to time, according to the condition of the market.

Senator ALLEN. Mr. Havemeyer testified that you, the American Sugar Refining Company, did control the American market and fix the price. Was that correct?

Mr. SEARLES. We control the market for the American Company's product; that is all.

Senator ALLEN. Mr. Havemeyer testified that the American Sugar Refining Company controlled the market price of refined sugar in the United States. Is that correct?

Mr. SEARLES. I can only answer for myself, that we do not control anything but the price of 80 per cent.

Senator ALLEN. And that fixes the market price throughout this country?

Mr. SEARLES. No; it does not.

Senator ALLEN. What, then, fixes the price?

Mr. SEARLES. The prices at which sugars are offered by the different manufacturers.

Senator ALLEN. You ship your sugars how far west?

Mr. SEARLES. To the Missouri River.

Senator ALLEN. Do you ship west of the Missouri River?

Mr. SEARLES. Sometimes.

Senator ALLEN. Well, as a rule?

Mr. SEARLES. As a rule, no.

Senator ALLEN. Who occupies that territory?

Mr. SEARLES. The Western Sugar Refining Company.

Senator ALLEN. The American Sugar Refining Company owns a half interest in it, does it not?

Mr. SEARLES. It does.

Senator ALLEN. And Mr. Claus Spreckles owns the other half?

Mr. SEARLES. Somebody connected with Mr. Spreckles.

Senator ALLEN. And through the Western Refining Company you control the territory between here and California, do you not?

Mr. SEARLES. We control 80 per cent.

Senator ALLEN. You reach the territory of the Missouri River by a refinery in New Orleans?

Mr. SEARLES. Yes. That is included in the 80 per cent.

Senator ALLEN. And by that means you control, in some measure, the product of the Hawaiian Islands?

Mr. SEARLES. We have nothing to do with the product of the Hawaiian Islands on the Atlantic coast. The Western Sugar Refining Company buys the bulk of the product of the Hawaiian Islands.

Senator ALLEN. And in that company you have a half interest?

Mr. SEARLES. We have.

Senator ALLEN. The product of the Western Refining Company is not sold in competition with the product of the American Sugar Refining Company?

Mr. SEARLES. It is.

Senator ALLEN. I do not mean in the sense that it is sold in the United States and that your product is sold at the same points, but I mean to say that there is no underbidding between the product of that company and the product of your company?

Mr. SEARLES. There is frequent competition in the Missouri River between the Western Refining Company and the American Refining Company.

Senator ALLEN. Do you mean to say that the American Sugar Refining Company of New Jersey is an active competitor of the Western Refining Company of San Francisco?

Mr. SEARLES. I mean to say that it frequently happens that the American Sugar Refining Company is in collision with the Western Sugar Refining Company for the Missouri River market.

Senator ALLEN. You do not seem to understand my question, however, Mr. Searles. You mean to say that the American Sugar Refining Company is an underbidder with itself under the name of the Western Refining Company in California?

Mr. SEARLES. I mean to say that the product of the American Sugar Refining Company's refinery at New Orleans is frequently in competition with the product of the Western Sugar Refinery in the markets of the Missouri River.

Senator ALLEN. When you say frequently, you mean that is the habit of doing the business?

Mr. SEARLES. I mean that it is dependent upon the condition of the stocks of those companies.

Senator ALLEN. Mr. Spreckles, who owned the other half of the Western Refining Company, owns ten millions of your stock.

Mr. SEARLES. Not that I am aware.

Senator ALLEN. Did you buy the Philadelphia factory for ten millions and pay him in stock?

Mr. SEARLES. Yes, sir.

Senator ALLEN. And does he not hold your stock to that amount?

Mr. SEARLES. I do not think he does. I know he sold some.

Senator ALLEN. Does he hold any portion?

Mr. SEARLES. He holds some.

Senator ALLEN. What portion did he sell—to whom did he sell?

Mr. SEARLES. I could not answer that.

Senator ALLEN. Do you know the name of the person to whom he sold?

Mr. SEARLES. I do not.

Senator ALLEN. How do you know he sold, then?

Mr. SEARLES. I have been informed that some of his certificates have been presented for transfer.

Senator ALLEN. The American Sugar Refinery is operated in harmony with this Western Sugar Refinery, is it not?

Mr. SEARLES. Ordinarily there is no collision between the two; frequently there is.

Senator ALLEN. That company occupying the territory west of the Missouri River and you occupying it east of the Missouri River?

Mr. SEARLES. Yes, sir.

Senator ALLEN. And they are occupying a portion of the territory in the southwest of this country from your New Orleans factory?

Mr. SEARLES. Yes, sir.

Senator ALLEN. What amount of money has the American Sugar Refining Company earned on its capitalization of $50,000,000 since January, 1891?

Mr. SEARLES. I have not the figures at hand, on that, by which to give a definite answer.

Senator ALLEN. In round numbers, Mr. Searles.

Mr. SEARLES. I should say that the capital is 75 millions instead of 50 millions.

Senator ALLEN. It was capitalized at 50 millions when it was first started?

Mr. SEARLES. Yes, but the profits have been made on the 75 millions capitalization.

Senator ALLEN. You recapitalized for 25 millions, paying out your stock for certain factories you took into the pool. Now, upon that capitalization, what sum of money have you been able to make on the total capitalization?

Mr. SEARLES. I should say 25 millions.

Senator ALLEN. And you recapitalized in 1892, did you not?

Mr. SEARLES. In January, 1891.

Senator ALLEN. In January, 1891, you organized as a corporation under the laws of New Jersey?

Mr. SEARLES. With $50,000,000 capital. In March, 1892, we issued an additional $25,000,000.

Senator ALLEN. And bought in what factories?

Mr. SEARLES. The Spreckles——

Senator ALLEN. At Philadelphia?

Mr. SEARLES. Yes; the Franklin——

Senator ALLEN. Where is that located?

Mr. SEARLES. Philadelphia. The Delaware and the E. C. Knight, Philadelphia.

Senator ALLEN. Upon that total capitalization you have made, you say, $25,000,000.

Mr. SEARLES. Since January, 1891.

Senator LODGE. Is that gross manufacturing profit, or net?

Mr. SEARLES. I thought he was speaking of the earnings of the company before any charge is made for depreciation or anything of that kind. It is earnings rather than net profit.

Senator LODGE. It is not the amount available for dividends?

Mr. SEARLES. No, sir.

Senator ALLEN. What net profit have you been able to make upon that capitalization up to this time?

Mr. SEARLES. In round figures I should say $20,000,000.

Senator ALLEN. You have been enabled to make that in consequence of the organization of this company, have you not, Mr. Searles?

Mr. SEARLES. No, sir, I should not admit that. The same amount of business ——

Senator ALLEN. I understood you to say that the refineries were running at a loss before that time.

Mr. SEARLES. Oh, not at all. The average profit, Senator, of the 20 refineries operated before the organization of the trust was—when I say profit, I mean margin between raw and refined sugar—as much for the seven years previous to the organization of the trust as it has been under the American Sugar Refining Company.

Senator ALLEN. Do you mean to say that the net profit of the independent refineries was as great before the organization of this company as now? If the profit of manufacture was as great to the independent refineries operated before the trust, what inducement would there have been for the independent refineries to go into the trust?

Mr. SEARLES. Because of the irregularity of that profit. The thing works this way. You take a time of competition when prices are cut and goods are sold at less than their cost and it is invariably followed by the elimination of the weaker houses, and then a doubling of the profit of manufacture, as was the case during the seven years prior to the organization of the trust. A number of the refineries closed up and went to the wall. If we had continued under the same arrangement, not more than eight or ten refineries would have been left at this time, and they would have had all the business.

Senator ALLEN. And one of the purposes of your company was to have a steady sugar market?

Mr. SEARLES. Yes, sir.

Senator ALLEN. And eliminate all that kind of competition?

Mr. SEARLES. Yes, sir.

Senator ALLEN. And by means of the organization of your company you have eliminated that kind of competition, and have been able to make this money?

Mr. SEARLES. We have been able by means of this organization to furnish the consumer with sugar at the same cost without loss to the refiners.

Senator ALLEN. I did not ask you that question.

(Question read, and "irregular" inserted before the word "competition.")

Mr. SEARLES. That is true. With that word "irregular" there I can answer that distinctly.

Senator ALLEN. You have been here, you say, for the purpose of influencing Congressional legislation upon the sugar schedule?

Mr. SEARLES. Yes, sir.

Senator ALLEN. That was your sole business in the city of Washington this winter, was it not?

Mr. SEARLES. It was.

Senator ALLEN. You are in the habit of attending sessions of Congress when any legislation affecting the sugar-refining interests is pending?

Mr. SEARLES. I have been here more or less since the Forty-fifth Congress for that purpose.

Senator ALLEN. And you come here for the purpose of getting Congress to levy a tax that will be beneficial to you sugar refiners?

Mr. SEARLES. I have been coming here for the purpose of explaining the intricacies of the sugar business to people who do not understand it, with the hope that, seeing the facts, they will legislate in a way which is just to this industry, and will give it the same proportion of protection that is guaranteed other American industries.

Senator ALLEN. You pay dividends upon the stocks of these factories that are closed, do you not, as regularly as upon the stocks of those in operation?

Mr. SEARLES. They have no stocks under the new organization. We bought the fee simple of all the properties.

Senator ALLEN. The man who sold you a factory which is now closed holds stocks of the American Sugar Refining Company in payment for that factory?

Mr. SEARLES. He received stock.

Senator ALLEN. And you pay dividends upon that stock?

Mr. SEARLES. Yes, sir.

Senator ALLEN. As much as you do upon the stock held by those factories that are in actual operation?

Mr. SEARLES. Yes.

Senator ALLEN. What is the value of these four factories that are closed, as nearly as you can tell?

Mr. SEARLES. Their value is small. It is because they were small factories and of small value comparatively. I could not give you an estimate.

Senator ALLEN. In the formation of the American Sugar Refining Company did you reduce the number of laborers that were engaged in this business of refining sugar?

Mr. SEARLES. No, sir; the laborers have increased.

Senator ALLEN. What number of persons was engaged in the production of sugar in these factories when the American Sugar Refining Company was organized?

Mr. SEARLES. I have no figures on that point which would be reliable. I only know that with the increased product of sugar we increase our labor correspondingly, and we are making now fully 20 per cent more sugar than all these sugar factories were before the organization of the company. I say 20; probably 30 per cent.

Senator ALLEN. Are you making as much sugar as was being made at that time, as regards the population of the country?

Mr. SEARLES. Yes, sir; more.

Senator ALLEN. I understood you to say a moment ago that one of your objects in the formation of this trust or company was to control the output of sugar and simply manufacture enough to meet the actual wants and needs of the American people, and not overmanufacture.

Mr. SEARLES. That is true.

Senator ALLEN. You have done that?

Mr. SEARLES. Yes.

Senator ALLEN. And before that the refiners were overmanufacturing, were they not?

Mr. SEARLES. Yes, sir.

Senator ALLEN. And putting out more sugar per capita than you are putting out per capita to-day?

Mr. SEARLES. That is not true, Senator. May I explain to you just the working of this thing from an actual illustration?

Senator ALLEN. Yes, sir.

Mr. SEARLES. The American Sugar Refining Company intends to provide all the sugar the consumers of this country will take. In order to economize the cost of producing that sugar they frequently, as has been the case during the present year, and was more largely so last year, run their factories at a time when there is no sale for sugar, comparatively, for the sake of keeping their operatives employed and their refineries open, and accumulate large quantities of sugar; larger quantities than were ever accumulated by the independent refineries.

It has happened this year that by reason of this legislation pending in Congress the dealers throughout the country were unwilling to take the risk of carrying a stock of sugar. We must either in that event close our refineries and wait until there springs up a demand, or, if we keep our operatives at work, we have to accumulate that sugar. Rather than close our refineries we have kept them running and accumulated a stock of refined sugar of between 300,000 and 400,000 barrels, at a cost of $5,000,000 to $6,000,000. We have carried that sugar in warehouses until such time as the trade in the country wanted it.

Now, it happened last year in September—you possibly have known it, as it was known throughout the country—that there was in this country a sugar famine. The country had been afraid by reason of the panic to buy anything; the grocers and all the wholesale dealers were unable to raise the money to carry the stocks of sugar they had been able to carry previous to the month of August. The question came with us whether we should stop our refineries, and some of our people felt as though we ought not to accumulate large quantities of sugar.

But we did run our refineries until we had a stock of nearly 400,000 barrels of sugar, and in one week we had a call from the country for that entire 400,000 barrels. Under the old system of refineries, with sixteen refineries, the refiners could not have been found who would have dared to have accumulated any such stock of sugar with the possibility of a decline in raw sugars which we faced, and the result would have been that there would not have been in this country 100,000 barrels of sugar under any circumstances.

Under this organization we were able to accumulate and did have these 400,000 barrels of sugar, and when the demand came we had a call for 7,000,000 barrels of sugar in three weeks. We ran our refineries several weeks day and night in order to meet the demand of the people. We were bid from Chicago and all the larger cities of this country a premium of 1 cent a pound on our price if we would only send the sugar. The company turned out 1,000,000 barrels, and they sent every man 100 barrels where they could not otherwise have sent him 1 and kept the country going, and they did it without a farthing's increase in the cost to the consumer. That is a thing that would have been absolutely impossible under other conditions where there would have been active competition. It was only made possible by the fact that the American Sugar Refining Company, knowing it had the field, was able to accumulate this sugar with safety and carry it until the people wanted it.

Senator ALLEN. You manufactured this sugar because you knew there would be a demand for it?

Mr. SEARLES. Yes, sir.

Senator ALLEN. And because you would have to have it manufactured to meet that demand when it came?

Mr. SEARLES. We did not have to have a demand in that sense. It was a question with many directors, before we got up to 300,000 barrels of sugar, if we ought not to stop. They thought they were taking a great risk in making any, in view of the decline in raw sugar.

Senator ALLEN. If you had not manufactured this sugar and had the stock on hand, you would have missed the opportunity to sell it?

Mr. SEARLES. No, sir; we could have sold what we had for 2 cents premium and the people would have waited until they got the other.

Senator ALLEN. You did not advance the price?

Mr. SEARLES. We did not.

Senator ALLEN. You think the organization of this American Sugar Refining Company is to the interest of the American people?

Mr. SEARLES. Yes, sir; I do. I believe the people of the United States are getting their sugar cheaper and a purer quality of sugar by reason of this company than is possible under any other circumstances.

Senator ALLEN. Do you not look upon it the same that you would upon $20,000,000 earned on $50,000,000 in three years?

Mr. SEARLES. No, sir. Rather look at the enormous amount of business. It has to be accumulated on the enormous amount of business handled.

Senator ALLEN. You think you ought to be able to earn that right along without any hindrance?

Mr. SEARLES. When we are able to import from all over the world, and refine and deliver nearly 5,000,000 tons of raw sugar, on the amount of business we have done and handled it is a very small percentage of profit; very trifling.

Senator ALLEN. I will pass that question. I see you and I radically disagree upon that, and probably always will. The American Sugar Refining Company is in the habit of contributing money for campaign purposes to the different political parties, is it not?

Mr. SEARLES. It has done so; yes, sir.

Senator ALLEN. Has it done so each year of its existence?

Mr. SEARLES. I do not know that it has done so each year, but it has done so from time to time.

Senator ALLEN. Did it do so in 1892?

Mr. SEARLES. It did.

Senator ALLEN. In what States?

Mr. SEARLES. I can not enumerate the States.

Senator ALLEN. According to your best recollection, in what States?

Mr. SEARLES. I should not care to testify directly on that point, unless——

Senator ALLEN. The resolution embraces that inquiry.

The CHAIRMAN (to Mr. Searles). Unless what? Finish your sentence.

Mr. SEARLES. Unless it does come within the province of this inquiry. I do not understand that it does.

The CHAIRMAN. It does.

Mr. SEARLES. Kindly show me how it does?

The CHAIRMAN. The resolution under which we are acting reads in this way:

Resolved, That a committee of five Senators be appointed to investigate these charges, and to inquire further whether any contributions have been made by the sugar trust, or any person connected therewith, to any political party for campaign or election purposes, or to secure or defeat legislation.

Mr. SEARLES. In answer to that question with reference to any contributions to secure or defeat legislation, I answer emphatically, no.

Senator ALLEN. You misapprehend the scope of the resolution.

The CHAIRMAN. That is what we want to get at, whether there has been any.

Senator ALLEN. Let me show you where you misapprehend it:

Resolved, That a committee of five Senators be appointed to investigate these charges and to inquire further whether any contributions have been made by the sugar trust, or any person connected therewith, to any political party for campaign or election purposes, or to secure or defeat legislation.

There are several distinct propositions embraced in that.

Mr. SEARLES. There have been no contributions made by the company, to my knowledge, with any view to pending legislation on the sugar question.

The CHAIRMAN. Or to secure or defeat legislation?

Mr. SEARLES. Nor to secure or defeat legislation.

Senator ALLEN. I will ask you, in the language of this resolution, whether any contributions have been made by the sugar trust or any person connected therewith to any political party for campaign purposes?

Mr. SEARLES. Such contributions have been made locally, but with no application, or with no purpose to influence legislation.

Senator ALLEN. In what States have contributions of that kind been made?

Mr. SEARLES. I can not answer definitely on that point.

Senator ALLEN. Have they been made in the State of Massachusetts?

Mr. SEARLES. I am not certain as to that.

Senator ALLEN. Have they been made in the State of New York?

Mr. SEARLES. I think they have.

Senator ALLEN. Have they been made in the State of New Jersey?

Mr. SEARLES. I am not certain as to that.

Senator ALLEN. Have they been made in the State of Pennsylvania?

Mr. SEARLES. Nor am I certain as to that.

Senator ALLEN. In the State of Ohio?

Mr. SEARLES. I have no knowledge of any such.

Senator ALLEN. How are these contributions made? That is, are they made and charged up to the company, or made by some officer or member of the company on behalf of the company?

Mr. SEARLES. They have been made by some officer of the company, usually, I think, by its president.

Senator ALLEN. And are charged to the expense account of the company, are they not?

Mr. SEARLES. I think they are.

Senator ALLEN. Would your books show a contribution to the campaign fund of any party?

Mr. SEARLES. No, sir.

Senator ALLEN. How is the entry made upon the books of the company?

Mr. SEARLES. I am not certain as to that. It has been made, I think, an individual matter.

Senator ALLEN. It would be charged to some member of the company?

Mr. SEARLES. I am not certain as to these entries, how they are made.

Senator ALLEN. What officer or member of the company usually disburses the money that is appropriated to campaign purposes?

Mr. SEARLES. I think that what has been done in that direction has usually been done through the president.

Senator ALLEN. Mr. H. O. Havemeyer?

Mr. SEARLES. Yes, sir.

Senator ALLEN. Does he make an account to the board of directors?

Mr. SEARLES. He does.

Senator ALLEN. Is it explained?

Mr. SEARLES. No, sir; there is no explanation.

Senator ALLEN. Just a verbal explanation?

Mr. SEARLES. That is all.

Senator ALLEN. There is no account of that that is carried back on the books after the expenditure of the money, is there?

Mr. SEARLES. I could not say as to how that is.

Senator ALLEN. If Mr. Havemeyer was charged with $100,000 to be expended in donations to political parties for campaign purposes, how would that item be balanced on the books?

Mr. SEARLES. I could not answer that question.

Senator ALLEN. You have access to the books, have you not?

Mr. SEARLES. Yes, sir.

Senator ALLEN. You have noticed these items, have you not?

Mr. SEARLES. I am aware that there are such entries.

Senator ALLEN. You are a member of the board of directors, are you not?

Mr. SEARLES. Yes, sir.

Senator ALLEN. And these matters have come before the board of directors for adjustment, have they not?

Mr. SEARLES. My impression is that they have been reported to the board.

Senator ALLEN. Do you know as a matter of fact that they have?

Mr. SEARLES. I think they have.

Senator ALLEN. What amount was expended by your company in the campaign of 1892?

Mr. SEARLES. I must decline to answer that question.

Senator ALLEN. On what grounds do you decline?

Mr. SEARLES. On the ground that it is not within the province of this inquiry.

Senator ALLEN. Do you decline because it would lead to further inquiries that would criminate you or anybody belonging to your organization?

Mr. SEARLES. I decline simply because I am advised that inquiries as to local contributions are not within the province of the committee.

Senator ALLEN. If you contributed to the campaign fund of 1892, when there was a Presidential election, Members of Congress, and members of the legislature, whose duty it was after being elected to select Senators and that selected Senators, one in the State of New York and the State of New Jersey, and these contributions were used for general election purposes there, you would not claim, then, it was donated for merely local purposes, municipal purposes, would you?

Mr. SEARLES. I have no knowledge of any such contributions.

Senator ALLEN. You are the treasurer of the company?

Mr. SEARLES. Yes, sir.

Senator ALLEN. And have been for the last two or three years or more?

Mr. SEARLES. Yes, sir.

Senator ALLEN. All money paid out by that company is paid out by you, is it not?

Mr. SEARLES. No, sir; not necessarily. It is paid only on my order or that of the president.

Senator ALLEN. Only on your order or that of the president?

Mr. SEARLES. Yes, sir.

Senator ALLEN. Have you paid out any money for campaign purposes during the years 1892 and 1893 as treasurer of the American Sugar Refining Company?

Mr. SEARLES. Only for such as I have spoken of.

Senator ALLEN. Local purposes?

Mr. SEARLES. That is all.

Senator ALLEN. When you say local purposes, you mean contributions to the State campaign fund?

Mr. SEARLES. I think that would be included.

Senator ALLEN. And that was in 1892?

Mr. SEARLES. Yes, sir.

Senator ALLEN. When Harrison and Cleveland were candidates for the Presidency?

Mr. SEARLES. Yes, sir.

Senator ALLEN. And it was to be used in the same election where these men were candidates, was it not?

Mr. SEARLES. I should think it was to be used at that time.

Senator ALLEN. You know as a matter of fact it was. Do you not know as a matter of fact it was to be used by the political party to whom it was contributed for all general purposes connected with the election that fall?

Mr. SEARLES. I do not know that.

Senator ALLEN. You supposed at the time it was to be used that way?

Mr. SEARLES. I have no knowledge of the way it was used—as to whether it was used for general purposes or not.

Senator ALLEN. Upon the question as to how it was used, or for whom it was used, or for what purpose it was used, you know nothing?

Mr. SEARLES. Precisely.

Senator ALLEN. And did not want to know anything at the time?

Mr. SEARLES. I made no inquiry, if that is what you mean.

Senator ALLEN. What sum did you contribute to the Democratic campaign fund in the State of New York in 1892 that was used for the purpose of conducting the campaign in that State, at which time Cleveland and Harrison were candidates for President of the United States?

Mr. SEARLES. I must decline to answer that question for the reasons stated.

Senator ALLEN. You did contribute some money, did you not?

Mr. SEARLES. I think an amount was contributed. Personally, I have no knowledge what it was now.

Senator ALLEN. And it was charged to the account of the American Sugar Refining Company?

Mr. SEARLES. Charged to the account of the American Sugar Refining Company?

Senator ALLEN. And you decline now to state the amount

Mr. SEARLES. Yes, sir.

Senator ALLEN. Was it $100,000?

Mr. SEARLES. I decline to state the amount.

Senator ALLEN. Was it over $100,000?

Mr. SEARLES. I decline to say.

Senator ALLEN. Was it less than $100,000?

Mr. SEARLES. I decline to state.

Senator ALLEN. Why do you decline to state?

Mr. SEARLES. Because I do not understand that is within the province of your inquiry.

Senator ALLEN. Do you not decline to state simply because you know it was disreputable and unlawful to contribute this money?

Mr. SEARLES. No, sir; I do not admit anything of the kind.

Senator ALLEN. You think it is perfectly laudable for the American Sugar Refining Company to contribute large sums of money, by the thousands of dollars, for the purpose of influencing elections in this country, do you?

Mr. SEARLES. I have always understood, or for many years, that it is the custom of both parties to solicit from corporations and individuals contributions for the carrying on of their political campaigns, and that it is the custom of corporations and individuals to respond to such invitations. And with that understanding, and what I believe to be a general custom, the American Sugar Refining Company has made such contributions at times.

Senator ALLEN. Do you believe it is perfectly proper for a corporation, the value of whose stocks may be affected by national legislation, to contribute its funds to the success or defeat of one political party or the other?

Mr. SEARLES. I think as parties are now managed that is proper.

Senator ALLEN. And the American Sugar Refining Company, as a company, was actuated by a high sense of patriotic duty in contributing this money, I suppose?

Mr. SEARLES. That is a pleasant way of putting it.

Senator ALLEN. Did you contribute to the Democratic fund of New York?

Mr. SEARLES. I decline to answer that question.

Senator ALLEN. Did you contribute to the Republican fund of New York?

Mr. SEARLES. I decline to answer that also.

Senator ALLEN. Did you contribute to both of them?

Mr. SEARLES. I also decline to answer that.

Senator ALLEN. Did you contribute to the Populist fund of New York?

Mr. SEARLES. I also decline to answer that.

Senator ALLEN. Or the Prohibition fund, or any other fund?

Mr. SEARLES. I decline to answer as to any fund.

Senator ALLEN. What return did you expect the American Sugar Refining Company to receive for the immense sum of money you put into the campaign fund of 1892 in New York?

Mr. SEARLES. I am not aware of any expectation in that regard.

Senator ALLEN. You do not mean to say you are in the habit of contributing large sums of money to any enterprise without expecting some pecuniary return, do you?

Mr. SEARLES. I have learned long since the truth of the colored man's version on that—"Blessed am dem what 'spects nuffin, den dey don't get disappointed.

Senator ALLEN. I appreciate that, but you do not mean to say as a business man and as a business proposition that your corporation would contribute to either the Democratic or Republican party in the State of New York, or any other State, without expecting any return, either directly or indirectly, some pecuniary benefit, do you?

Mr. SEARLES. I mean to say this, that under the existing custom, our corporation, being a corporation which has large property interests,

has been called upon to contribute by the political parties and has done so without any definite understanding as to any benefits to be received thereby, but by reason of the property interests of the corporation and of its large representation of capital——

Senator ALLEN. Now, while you had no definite contract or understanding with the managers of the political parties to whom you have contributed, is it not true that you expected favorable consideration from the party that succeeded in getting the control of the national legislation or national affairs—what you call "fair treatment" of your interest?

Mr. SEARLES. I have always believed that we would get by a proper presentation of our business industry and its needs, fair protection from either party aside from any contributions or anything else.

Senator ALLEN. You realize, I suppose, as I do, that every sane man acts from some motive?

Mr. SEARLES. Yes, sir.

Senator ALLEN. The American Sugar Company's contribution to the campaign fund of 1892 must have been actuated by one of two things, either a high sense of patriotic duty to some political party or the expectation of acquiring some benefit from the contribution when it was made, some pecuniary benefit. Now, which was the motive that inspired you in making that contribution?

Mr. SEARLES. I should say the patriotic duty.

Senator ALLEN. I think that is all I want to ask you, Mr. Searles.

The CHAIRMAN. You were asked whether the contributions that were made by the sugar trust in the campaign of 1892 were actuated by certain motives.

Mr. SEARLES. Yes, sir.

The CHAIRMAN. Assuming that such contributions were made, are you referring now to the contributions which you have said were made locally?

Mr. SEARLES. Those are the only contributions made by the company.

The CHAIRMAN. In what States were they made?

Mr. SEARLES. I can not state that definitely.

The CHAIRMAN. Did you make a personal contribution?

Mr. SEARLES. I did.

The CHAIRMAN. To what party?

Mr. SEARLES. In the State of New York.

The CHAIRMAN. To what party?

Mr. SEARLES. Is it within the province of the committee to inquire into my private contributions?

The CHAIRMAN. I simply ask the question, and am not called upon to pass upon it.

Mr. SEARLES. I decline to answer, it being a private matter.

Senator LODGE. Mr. Havemeyer stated yesterday that the sugar refining company contributed money in New York and in Massachusetts. Do you remember any other State in which they contributed?

Mr. SEARLES. I should not attempt to name the States in which contributions were made.

Senator ALLEN. And in New Jersey?

The CHAIRMAN. Have these contributions been made in campaigns prior to 1892, to your knowledge?

Mr. SEARLES. I think so.

Senator LODGE. Do you know whether contributions were made in any Western States?

Mr. SEARLES. I have no knowledge on that point.

The CHAIRMAN. There is a statement here in an article published in the Philadelphia Press, which article was part of the occasion for the formation of this committee, that an appeal was made to these men, meaning the sugar men, for money:

The subscriptions may have been given as individual contributions, but such gift was a pure fiction if it was made in that way. It was a sugar-trust subscription to the national campaign committee in return for pledges which were afterwards insistently demanded to be redeemed.

Is that true, to your knowledge?

Mr. SEARLES. I know of no such subscription.

The CHAIRMAN—

The subscription was the magnificent sum of $500,000. And at another place in this article there will be reported a distinct and emphatic admission of this subscription and pledge from one of the highest officers of the Government of the United States.

Do you know of any such subscription to the national campaign committee of either party?

Mr. SEARLES. I know of no such contribution.

The CHAIRMAN. "A part of this money bought Colorado for the Populists." Do you know of any such purchase as that?

Mr. SEARLES. No, sir.

The CHAIRMAN.—"A part of it brought about Populist alliances elsewhere."

Mr. SEARLES. I know of no such.

The CHAIRMAN.—"A part of it was used in Illinois." Do you know of any such purchase?

Mr. SEARLES. No, sir.

The CHAIRMAN.—"There was no doubt that this great fortune was mainly instrumental in securing those alliances and influencing those purchasable or discontented elements whose action upon election day caused such astounding results in the West."

Mr. SEARLES. I have no knowledge of any such transaction as those referred to in the article read.

Senator LODGE. Do you know of any money being given for the local campaign in Colorado?

Mr. SEARLES. I do not.

Senator LODGE. Or Nebraska?

Mr. SEARLES. I do not.

Senator LODGE. Do you know of any speculation on the part of any Senator in sugar stocks since the 1st of February?

Mr. SEARLES. No, sir.

Senator LODGE. Have you been speculating yourself during that period?

Mr. SEARLES. That is a private matter which I should not feel called upon to answer.

Senator LODGE. Have you kept in direct communication with New York during that time by wire?

Mr. SEARLES. What do you mean by direct communication?

Senator LODGE. Have you had a private wire?

Mr. SEARLES. No, sir.

Senator LODGE. You have employed only the regular Western Union lines?

Mr. SEARLES. That is all. There is another company called the Postal. I may have used that. You are referring now to my business affairs?

Senator ALLEN. Yes; to your own private business affairs.

Mr. SEARLES. Yes, sir.

Senator LODGE. Or in behalf of the company which you represent. What I was trying to get at was whether they had a private line or private operator here?

Mr. SEARLES. No, sir; we had nothing to keep private.

Senator LODGE. You used the ordinary lines at the hotel, I suppose?

Mr. SEARLES. I used whatever lines were most convenient for any telegrams I desired to send.

Senator ALLEN. Were you approached by any person on behalf of the national Democratic or Republican central committees in 1892 to contribute to the campaign fund of that year, either individually or in behalf of the company?

Mr. SEARLES. I do not remember to have been solicited in that way.

Senator ALLEN. No one asked you as an individual to contribute, or asked you as an officer to have the company contribute?

Mr. SEARLES. I do not remember any such request.

Senator ALLEN. All the way through when you speak of local contributions I understand you to mean contributions to the State organizations of the party, whichever party it may be. For instance, if you speak of local contributions in the State of New York to the Democratic party, you mean to the Democratic organization in the State, do you not?

Mr. SEARLES. I do not know as to the organization, but for State purposes, whatever that may have been.

Senator ALLEN. Were your contributions larger in 1892 than they were in 1893?

Mr. SEARLES. I could not say as to that.

Senator ALLEN. What is your best recollection?

Mr. SEARLES. I do not remember.

Senator ALLEN. Since you have been in the city of Washington this winter and this spring, have you operated on the stock exchange in sugar certificates, that is, in your own name or that of some other person, or on behalf of any Member of Congress?

Mr. SEARLES. No, sir.

Senator ALLEN. Nor any Senator?

Mr. SEARLES. No, sir.

Senator ALLEN. Has any Senator approached you, or any Senator's clerk or representative approached you for what is known in brokers' parlance as "pointers" in sugar stock during that time?

Mr. SEARLES. I have no knowledge of any approaches.

Senator ALLEN. Then you have not given out any that you know of?

Mr. SEARLES. No, sir.

Senator ALLEN. You are in a situation as well as any man to know the fluctuations of sugar stock, are you not?

Mr. SEARLES. On the contrary, I know as little about it as anybody can.

Senator LODGE. Have you employed any member of Congress or Senator, or has the trust employed anyone, directly or indirectly, as attorney or counsel, to your knowledge?

Mr. SEARLES. Not to my knowledge.

Senator ALLEN. Is there any United States Senator now in the employment of the American Sugar Refining Company, directly or indirectly, that you know of?

Mr. SEARLES. Not that I know of.

Senator ALLEN. Or has been, as attorney or otherwise?

Mr. SEARLES. No, sir.

Senator ALLEN. Have you been in the habit of receiving from any Senator, directly or indirectly, any information as to the probable result of this measure?

Mr. SEARLES. No, sir. I have not hesitated to ask any Senator what his views were as to the probable result, and I have had as many views as there are Senators.

Senator ALLEN. Let me as ask you one more question. Are the beet-sugar manufacturers of the United States part and parcel of what is known as the sugar trust?

Mr. SEARLES. No, sir. There is no connection between them whatever.

Senator ALLEN. None whatever?

Mr. SEARLES. None whatever.

Senator ALLEN. They are free to manufacture as a company, so far as the Sugar Refining Company is concerned?

Mr. SEARLES. Yes, sir.

Senator ALLEN. Do any of them hold any stock of the American Sugar Refining Company that you know?

Mr. SEARLES. I am not certain of that. Some of them may be stockholders. Our stock is held by 7,000 different people, and I do not undertake to keep track of them. I have 7,000 stockholders on my books, and they are changing every day.

Senator ALLEN. Have you any objection to producing your books, showing by that means the contributions that were made by the sugar trust for political purposes in the last few years, in 1892 and 1893?

Mr. SEARLES. I should decline to do that.

Senator ALLEN. You should decline to do it?

Mr. SEARLES. Yes, sir.

Senator ALLEN. What percentage of cost in the operation of your business is made up by contributions for political purposes?

Mr. SEARLES. I can not answer that. It would be infinitesimal.

Senator ALLEN. You have no objection to stating the political party to which you belong, have you?

Mr. SEARLES. No, sir; I am a Republican.

Senator ALLEN. The contribution, then, made last year and in 1892, was probably made to that party?

Mr. SEARLES. You are entitled to your inference on that point. You have heard my statement.

Senator LINDSAY. Mr. Edwards, the correspondent who wrote the article to which your attention has been called, in testifying before this committee makes this statement:

My recollection of that is: I was at the Republican headquarters a great deal during the campaign; saw a good many people; and it is impossible for me to identify the people who told me particular things. But I do remember this: Somebody told me that Mr. James J. Belden, now a member of Congress from Syracuse, N. Y., had with him at the Republican headquarters a gentleman connected with the sugar trust. At that time the trust had given to the Republicans $25,000, I think, as a first subscription, if I remember aright, and they wanted more, and subsequently there was $15,000 more raised, which made $40,000. This gentleman of the sugar trust—I am not sure who it was; my impression is that it was Mr. Searles, as he is the only Republican in the trust—said, in the presence of Mr. Belden, "We have given $250,000 or $300,000 to the Democratic campaign."

What have you to say, if anything, in regard to those statements?

Mr. SEARLES. That so far as Mr. Searles is concerned it is pure fiction.

Senator LINDSAY. No part of those statements is true so far as you are concerned?

Mr. SEARLES. No, sir.

Senator LINDSAY. At what season of the year do the sugar refiners have on hand the greatest amount of crude sugar?

Mr. SEARLES. That depends entirely upon the markets of the world for sugar. At a time when they think sugar is cheap, they are apt to carry large stocks. When they think it is too high they carry a lesser stock. But the requirements of the business are greatest in the summer season, and then they naturally have the largest stock of sugar.

Senator LINDSAY. How do the 1st of July and the 1st of January of each year compare?

Mr. SEARLES. Naturally July would be the time when we would have the largest stocks.

Senator LINDSAY. How as to January?

Mr. SEARLES. The smallest, because we are entering upon the period of lightest consumption, and have very little sugar. Not only that, but it is a time when we can not get the sugar.

Senator LINDSAY. In January?

Mr. SEARLES. Yes, sir. The crop of Cuba, which amounts to 1,000,000 tons, commences in January, and all the other West India crops have been exhausted by that time.

Senator LINDSAY. What proportion of the crude sugar necessary for the operations of the refineries, for, say, six months, would it be practicable or possible to anticipate by purchasers between this and the 1st of January?

Mr. SEARLES. You mean in the event of a change of law on the 1st of January?

Senator LINDSAY. Yes.

Mr. SEARLES. It would not be possible to accumulate any large amount of sugar. The production of sugar during the half year from July to January is necessary for the consumption of that half year, and it would be almost impossible to accumulate any large quantity of sugar to carry it over on the 1st of January.

Senator LINDSAY. Would it be practicable to accumulate a three months' supply?

Mr. SEARLES. No, sir. At least it would be very difficult.

Senator LINDSAY. A two months' supply?

Mr. SEARLES. We usually carry a two months' supply at any time; that is, from one and a half to two months.

Senator LINDSAY. Mr. Havemeyer, in testifying, gave it as his opinion that if the present bill, as the sugar schedule now stands, goes into effect it would probably increase the price of sugar to the consumer about 1 cent. What is your opinion on that subject?

Mr. SEARLES. How is that? After it goes into effect?

Senator LINDSAY. After it goes into effect?

Mr. SEARLES. It depends entirely upon the duty.

Senator LINDSAY. A duty of 40 per cent ad valorem?

Mr. SEARLES. My judgment is, it would be more than 1 cent a pound.

Senator LINDSAY. And one-eighth of a cent a pound in addition?

Mr. SEARLES. It would depend upon the cost of the raw sugar. The amount of duty would depend upon whether it was 2½ or 3 cents a pound. Unless sugar was very cheap, it would make a difference of more than a cent a pound. I think it would be more than a cent.

Senator LINDSAY. How much more?

Mr. SEARLES. The average value of the raw sugars imported in 1893 was over 3 cents a pound. I think about 3.15 cents; 40 per cent of that would be 1¼ cents.

Senator LODGE. What time of the year can you get the majority of the East India crops?

Mr. SEARLES. They begin the shipment now and it comes in from October to December.

Senator LODGE. What effect, in your opinion, would the enactment of the law, as it now exists, as it now stands before the Senate, to take effect on the 1st of January, have in promoting importations between this and the 1st of January of foreign refined sugars?

Mr. SEARLES. Do you mean in anticipation?

Senator LODGE. In anticipation of the increase in price on the 1st of January?

Mr. SEARLES. I should think it would result in the importation of refined sugars, but to what extent I can scarcely estimate.

Senator LODGE. The refined sugars are not being imported at all, are they?

Mr. SEARLES. They are coming all the time in sporadic lots, not in very large quantities. Importations have been made by way of Canada. I received a day or two ago information that sugar sold in Detroit, 4 carloads of foreign refined sugar. They are going into the West. Under the proposition as it is now made the tendency would be to bring sugars into Canada and send them over the Grand Trunk road to Chicago, on to Western points, in competition with American refined sugar.

The CHAIRMAN. Are there any refineries in Canada?

Mr. SEARLES. Yes, sir. They would have refined sugars from Europe. They can get freights from London to Chicago for what we pay from London to New York by utilizing these trunk-line roads.

The CHAIRMAN. They are all compelled to pay six-tenths of a cent a pound?

Mr. SEARLES. Yes, sir; on beet sugar.

Senator LODGE. Where there is a bounty?

Senator LINDSAY. Oh, no; on refined sugars.

Mr. SEARLES. The present duty, except from Germany, is only five-tenths, which is the ordinary rate.

Senator LINDSAY. If the pending bill going into effect would raise the price of sugar, as you suppose it would, 1¼ cents, then the difference between five-tenths of a cent and 1¼ cents would be the profit upon refined sugars imported prior to the 1st of January?

Mr. SEARLES. Yes, sir.

Senator LINDSAY. Which would be three-fourths of a cent a pound?

Mr. SEARLES. Three-fourths of a cent a pound.

Senator LINDSAY. With that prospect of profit ahead, about what quantity of refined sugars do you think would be imported into the United States?

Mr. SEARLES. That would depend upon the price of refined sugar in Europe. Any purchases of that kind would tend probably to stimulate the foreign markets. The sellers there would want to get part of it, and the extent of the importations would depend very largely upon the competition for such sugars.

Senator LINDSAY. One-half of that profit would pay very handsomely for very large importations, would it not?

Mr. SEARLES. Yes, sir; it would indeed. One-eighth of a cent a pound is very considerable profit.

Senator LINDSAY. Now, to what extent would the importations in anticipation of that increase in price interfere with the profits that otherwise would be made by the sugar refiners if the foreign sugar staid out and you were allowed——

Mr. SEARLES. Every pound of refined sugar that is imported displaces an equal amount of American refined sugar, and restricts our manufacturing just that much.

Senator LINDSAY. Is it to the interest of the sugar refiners to have this bill take effect at once in view of this fact, or to postpone it until the 1st of January?

Mr. SEARLES. I have never considered that matter. I think it is a matter of indifference to us so far as it relates to raw sugar stocks. My own personal view would be that there would be nothing gained by postponing it, to the refiners; but I have never considered it. I have always supposed that that concession of the 1st of January was done for the benefit of the producers of this country, in order to give them another year of bounty.

Senator LINDSAY. I only want to get at your views as a man who is expert in sugar dealings, as to whether the trust would be benefited or damaged by the postponement.

The CHAIRMAN. Did you make any such claim upon the committee, or upon any Senator, that it should be postponed?

Mr. SEARLES. No, sir.

The CHAIRMAN. Did you feel that you were interested in it?

Mr. SEARLES. The question was suggested to me, I do not know by whom, as to whether it would be an advantage to the company, and I think I stated that I was indifferent to that matter. That I judged it was in the interest of the American producers and that we should not antagonize it at all. But I do not think it would be of any benefit to our company in the matter of raw sugar.

The CHAIRMAN. Do you think it would be of any benefit, considering all the effects it would have upon the importations of sugar, crude and refined, to the trust?

Mr. SEARLES. I think it is immaterial to us.

The CHAIRMAN. So you are indifferent?

Mr. SEARLES. We are indifferent as to that.

Senator LODGE. You have stated that one reason for your proposition of specific rates was that this discriminated against the cheap sugar.

Mr. SEARLES. Yes, sir.

Senator LODGE. Cheap raw sugar?

Mr. SEARLES. Yes, sir.

Senator LODGE. And those, I understood you to say, come chiefly from the East?

Mr. SEARLES. They come largely from the Philippine Islands in the East, and also South America. Brazil sugars are mainly of a low order of sugar, and all South American sugars, with the exception of British Guiana, are low grades of sugar. They are absolutely dependent upon us for the natural market.

Senator LODGE. How much of those low-grade sugars do you import?

Mr. SEARLES. All we can get of them. We are an active competitor with London for every pound of that sugar, because from that sugar we make our cheaper grades of refined sugar. We can not make them out of high-grade sugar. If we are debarred in that grade, then we are obliged to enhance the cost of high-grade sugars to the consumers here.

Senator LODGE. About what proportion of your product comes from that?

Mr. SEARLES. I suppose about 25 per cent.

Senator LODGE. About a quarter?

Mr. SEARLES. Yes, sir.

Senator LODGE. And those East Indian sugars, you say, are brought into the country between December and October.

Mr. SEARLES. The East Indian sugars are brought, yes, largely between September and December.

Senator LODGE. The Cuban crop, you say——

Mr. SEARLES. Does not commence until January.

Senator LODGE. When does the beet sugar?

Mr. SEARLES. The new beet crop commences in October.

Senator LODGE. And beet sugars and low-grade sugars are available in October?

Mr. SEARLES. Yes, sir.

Senator LODGE. Do you use much beet sugar?

Mr. SEARLES. Not a great deal.

Senator LODGE. You use some for the higher grades of refined sugar?

Mr. SEARLES. We use beet sugar only of necessity to supplement the deficiency of cane sugars. We give cane sugars of the world the preference for refining, so far as we can.

Senator LODGE. Are cane sugars better sugars?

Mr. SEARLES. We think cane sugars no better when they are refined. But they are better because we can make better cheap sugars of them, which we can not make out of beet sugars—the straw-colored, bright-yellow sugars we sell in large quantities, especially in the West and Southwest; sugars that take the place of open-kettle sugars that they used to get from Louisiana. Those are sugars that there is a large demand for from the Western and Southwestern States. We can not make them of beets. We can only make them of the lower grades of cane sugar.

Senator ALLEN. You may state briefly what difference, in your judgment, there is between the McKinley act and the pending act, as the Senate proposes to amend it, or has amended it, to the American Sugar Refining Company; which is the better act for you?

Mr. SEARLES. The McKinley bill, by far.

Senator ALLEN. How much?

Mr. SEARLES. I think one-half. That is, I think the protection in the margin to the refiner in the proposed schedule is not over one-half of what it is in the McKinley bill.

Senator ALLEN. Now, what countries produce sugars that are brought into this country?

Mr. SEARLES. Our main supply of cane sugar comes from Cuba; then the British West India Islands and the French West Indian Islands; then on the South American coast, the whole length of it. We buy all the sugars in South America, commencing with British Guiana, and so on down through all the countries in South America and Mexico. Then the Philippine Islands in the East, and Java, from China and Jaggery, some few sugars, and from the Hawaiian Islands. Of course we get their crop.

Senator LODGE. When does their crop come into the market?

Mr. SEARLES. It commences in January.

Senator LODGE. Like the Cuban?

Mr. SEARLES. Yes, sir; like the Cuban, or, say in December; perhaps a little earlier than the Cuban markets. And in addition to those the beet sugars of Europe.

Senator ALLEN. Where do those beet sugars come from?

Mr. SEARLES. Principally from Germany.

Senator ALLEN. And what other countries?

Mr. SEARLES. Holland, Germany, Belgium, Austria, and some from Russia.

Senator ALLEN. France?

Mr. SEARLES. We do not get any from France. The French sugars go into England.

Senator ALLEN. What proportion do the sugars which you import, that is, the cane and beet sugars, hold to each other?

Mr. SEARLES. I think fully 80 per cent of our imports are cane.

Senator ALLEN. As a member of this committee I insist that this witness, Mr. Searles, and also the witness Mr. Havemyer, shall be required to state the amount of funds contributed by the American Sugar Refining Company for political purposes in the years 1892 and 1893, and that upon failure to testify upon that subject they shall be reported to the Senate as other witnesses have been reported.

Senator LINDSAY. In your arguments you insisted upon the ad valorem in preference to the specific taxation on sugar?

Mr. SEARLES. Yes, sir.

Senator LINDSAY. I will ask you whether the cheaper grades of refined sugar are made from the cheaper grades of the crude sugars?

Mr. SEARLES. Yes, sir; they can only be made from them.

Senator LINDSAY. And the higher-priced grades of refined sugar from the higher prices grades of crude sugar?

Mr. SEARLES. Yes, sir. We can make a higher grade of refined sugar from low-grade crude sugar by processes of refining; but we can not make the low grade of refined sugar out of the higher grade of raw sugar.

Senator LINDSAY. Therefore, if the low grade of crude sugars are taxed specifically, it increases in undue proportion to the consumer the cost of the low grades of refined sugars?

Mr. SEARLES. Precisely.

Senator LINDSAY. That is what you were trying to make these gentlemen understand?

Mr. SEARLES. Yes, sir.

Senator LINDSAY. One other matter. In your examination you stated that in the Missouri River territory your sugars were sold in competition with the sugar refineries of the Pacific coast. I want to see if I understand you correctly that your company makes its figures at all times to sell in any territory it can reach. Is that true? Of course, when I say "any territory it can reach," I mean, and pay the cost of transportation?

Mr. SEARLES. That is not true exactly. This is the fact: As between the refineries of the American Company often there is a difference in price at times growing out of a difference of stock on hand. There are times, for instance, when the New Orleans refinery is selling sugar on a lower parity than they are sold in New York. At times when their market is overstocked with sugar so that there is no absolute uniformity of price in the product of the American refinery—I do not wish to be understood as stating that as between the Western Sugar Refining Company and the American Sugar Refining Company there is the competition which would naturally be counted as such.

Senator Allen's question was whether there was ever any difference, and I stated that there was very little growing out of the presence, for instance, of an abnormal stock—an increased stock on one or the other. They will cut the price in order to market their product.

Senator LINDSAY. If the New Orleans refinery has an overstock it sells its surplus for whatever it can get for it?

Mr. SEARLES. Yes, sir; that is it.

Senator LINDSAY. That is, without regard to the New York price?

Mr. SEARLES. Yes, sir.

Senator LINDSAY. And the Pacific manufactories do the same thing?

Mr. SEARLES. Precisely.

Senator LINDSAY. And when they have an overstock they can crowd you out of the Missouri territory?

Mr. SEARLES. Yes, sir.

Senator LINDSAY. And whenever they have only such stock as can reasonably supply the Pacific coast, you are in that territory as you are anywhere else?

Mr. SEARLES. Yes, sir.

(Adjourned until to-morrow, June 14, 1894, at 11 o'clock a. m.)

WASHINGTON, D. C., *June 14, 1894.*

The committee met pursuant to adjournment.

Present: Senator Gray (the chairman), and Senators Lindsay, Davis, Lodge, and Allen.

SWORN TESTIMONY OF CHARLES H. COSTER.

Senator LODGE. You are living in New York?

Mr. COSTER. Yes, sir.

Senator LODGE. And you are a member of the firm of Drexel, Morgan & Co.?

Mr. COSTER. Yes, sir.

Senator LODGE. They are bankers?

Mr. COSTER. Yes, sir.

Senator LODGE. They also buy and sell stocks on commission?

Mr. COSTER. Not as a rule.

Senator LODGE. Do they at all?

Mr. COSTER. To a small extent and in certain particular cases, but it is not a general line of business or class of business that we cultivate.

Senator LODGE. Do you know about that branch of the business?

Mr. COSTER. Entirely.

Senator LODGE. And would you know if a very large transaction had occurred in any stock within a short time?

Mr. COSTER. Beyond any question.

Senator LODGE. I suppose you buy and sell stocks for persons outside of New York?

Mr. COSTER. Yes, sir; sometimes; not often though.

Senator LODGE. If you had, within the last few months, received a large order for a certain stock and, not knowing the person giving the order, had made inquiry in regard to him, you would be likely to remember it?

Mr. COSTER. No question I should.

Senator LODGE. Did you receive any large order to buy stock and then make inquiry as to the person?

Mr. COSTER. We have not received any orders to buy sugar stock from Washington or anywhere else in the world.

Senator LODGE. Do you know of any such transaction as I have referred to?

Mr. COSTER. None whatever.

Senator LODGE. Have you bought or sold any sugar stocks for any Senator?

Mr. COSTER. Neither for Senators or anybody else in the last six months. I do not know that we have bought 50 shares; I do not know that we have bought any for anybody, directly or indirectly.

Senator DAVIS. You say you received no order from Washington?

Mr. COSTER. None, whatever.

Senator DAVIS. During the present year?

Mr. COSTER. During the present year.

Senator DAVIS. Well, have you been requested to do anything of that kind, or have you had any business negotiation as to whether you should or not?

Mr. COSTER. No one has requested it, or suggested it, or anything else.

Senator LODGE. Have you heard of any such purchases through other brokers?

Mr. COSTER. Except what I read in the newspapers.

Senator LODGE. I mean apart from the general talk in the newspapers?

Mr. COSTER. None, whatever.

Senator LODGE. You have had no information in regard to any large purchases, such as I have described?

Mr. COSTER. No; nothing at all, except what I have seen in the papers and I have noticed that there have been large transactions in the stock, who for, I haven't any idea.

WASHINGTON, D. C., *June 15, 1894.*

The committee met pursuant to adjournment.

Present: The chairman (Senator Gray), Senators Lindsay, Davis, Lodge, and Allen.

SWORN TESTIMONY OF THEODORE A. HAVEMEYER.

The CHAIRMAN. Please state your full name.

Mr. HAVEMEYER. Theodore A. Havemeyer.

The CHAIRMAN. What is your age?

Mr. HAVEMEYER. I am 54. I was born in 1839.

The CHAIRMAN. And your residence?

Mr. HAVEMEYER. Mahwah, N. J.

The CHAIRMAN. And your occupation?

Mr. HAVEMEYER. I am vice-president of the American Sugar Refining Company.

The CHAIRMAN. In a certain article published in the Philadelphia Press of May 14, signed "Holland," there is a statement that—

In the summer of 1892, after Mr. Cleveland's nomination, Mr. Benedict, Mr. Havemeyer, Mr. Cleveland, and one or two others had a conversation, either in Greenwich or upon Mr. Benedict's yacht, in which the sugar interests were earnestly discussed, and those interested as affected by the situation in the Hawaiian Islands particularly analyzed. There is no doubt now that at this meeting there were planted the seeds of the policy developed by Mr. Cleveland, after he became President, toward the Hawaiian Islands. At that time and subsequently there came about understandings between Mr. Cleveland and these friends of his which, if they could ever be fully exposed, would explain completely that miserable and strangely unreasonable Hawaiian incident.

It says Mr. Havemeyer, without giving the Christian name. I will ask you whether you were ever present on such an occasion on Mr. Benedict's yacht with Mr. Cleveland.

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. Were you ever present on any other occasion, or in any other place with Mr. Cleveland when there was such a discussion?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. No meeting of that kind or of that nature ever took place?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. There is another statement made in the same article in reference to a meeting in a room in a Washington hotel during the pendency of the tariff bill in the Senate, where Mr. Havemeyer, Senator Brice, Senator Smith, and Brice's Terrill were present. Do you recollect any such meeting at which you were present?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. Have you been in Washington this winter?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. You have not been?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. How long since you were in Washington.

Mr. HAVEMEYER. I think seventeen months, or perhaps two years.

Senator DAVIS. Up to this time?

Mr. HAVEMEYER. Yes, sir. I passed through Washington on my way back from New Orleans, I think it was last February——

The CHAIRMAN. February of this year?

Mr. HAVEMEYER. No, sir; last February a year ago.

The CHAIRMAN. That is the last time you were in the city?

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. Then I need not ask you about any other allegations in regard to meetings in Washington. Is the Sugar Refining Company, of which you are vice-president, what is commonly known as the sugar trust, popularly known as the sugar trust?

Mr. HAVEMEYER. I think so. At least, previous to the organization, it was known as the sugar trust.

The CHAIRMAN. Has the sugar trust made any contributions to any political party for campaign or election purposes, or to secure or defeat legislation?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. Has it made no contributions to any political party?

Mr. HAVEMEYER. I think it has.

The CHAIRMAN. National or State?

Mr. HAVEMEYER. I think it has to the State; I know it has not to the national.

The CHAIRMAN. In what State or States?

Mr. HAVEMEYER. I can not answer that question. The question is entirely unfamiliar to me. I simply know as a member of the board of trustees that this has been mentioned, and as one of the directors I voted.

The CHAIRMAN. Were any of those contributions so made, so far as you know, that is, made to secure or defeat legislation?

Mr. HAVEMEYER. No, sir; never.

Senator LODGE. Or to aid in securing the election of any United States Senator?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. Do you know of any speculations indulged in by any United States Senator, directly or indirectly?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. In sugar stocks, so called?

Mr. HAVEMEYER. No, sir; or any other stocks.

The CHAIRMAN. Have you ever been called upon by any United States Senator for information as to value of sugar stocks?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. Or given any information or "pointers," as they are called, in that regard?

Mr. HAVEMEYER. No, sir.

Senator DAVIS. Have you ever received any information from any United States Senator during the pendency of the tariff bill as to the probable duty to be imposed on sugar?

Mr. HAVEMEYER. No, sir.

Senator DAVIS. Have you ever sought such information?

Mr. HAVEMEYER. No, sir.

Senator LODGE. Have you communicated with any United States Senator in regard to the duties on sugar during the pendency of the present tariff bill, in writing or otherwise?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. How long have you been vice-president and a member of the board of directors of the American Sugar Refining Company?

Mr. HAVEMEYER. Since its reorganization in January, 1891.

Senator ALLEN. And before that what relation did you hold to the American Sugar Refineries Company?

Mr. HAVEMEYER. I was president of the company.

Senator ALLEN. And a member of the board of directors also?

Mr. HAVEMEYER. I was.

Senator ALLEN. How long has the sugar trust, so called, whether organized under the name of the American Sugar Refineries Company or the American Sugar Refining Company, been in the habit of contributing money for election purposes?

Mr. HAVEMEYER. I can not answer that question.

Senator ALLEN. What is your first recollection of anything of that kind occurring?

Mr. HAVEMEYER. I should say—(the witness here paused). I am only hesitating because I wish to correct my memory. I should say that within the past two or three years.

Senator ALLEN. Probably in 1892 was the first time?

Mr. HAVEMEYER. I think before that.

Senator ALLEN. In 1891?

Mr. HAVEMEYER. Probably.

Senator ALLEN. And at any time before that?

Mr. HAVEMEYER. It may be. I do not recollect that.

Senator ALLEN. As a member of the board of directors it becomes your duty to audit the account of the man who has expended money for election purposes; is not that true?

Mr. HAVEMEYER. No, sir; it is not an audit.

Senator ALLEN. However that may be, a report is made to the board of directors as to the money expended, and by whom expended, for election purposes?

Mr. HAVEMEYER. Not always; I should not think always.

Senator ALLEN. However, sometimes that is done?

Mr. HAVEMEYER. Sometimes that is done.

Senator ALLEN. Is the account rendered in writing to the board of directors?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. It is simply a verbal statement?

Mr. HAVEMEYER. Simply a verbal statement.

Senator ALLEN. It is usually approved by the company; approved by the directors?

Mr. HAVEMEYER. Yes, sir. I might state, if you will allow me——

Senator ALLEN. Certainly.

Mr. HAVEMEYER. Perhaps a statement of mine may answer your question. I think authority is given to the president to expend moneys as he may see fit.

Senator ALLEN. Is a record kept of the meetings of the board of directors of the American Sugar Refining Company?

Mr. HAVEMEYER. I think there is.

Senator ALLEN. By whom is it kept?

Mr. HAVEMEYER. By the secretary.

Senator ALLEN. And the secretary is Mr. John E. Searles?

Mr. HAVEMEYER. The secretary is Mr. John E. Searles.

Senator ALLEN. If the president or any other member of the company expended money for election purposes, and made an informal verbal report of it to the board of directors, would a minute of that fact appear upon the record kept of the meeting?

Mr. HAVEMEYER. I presume so.

Senator ALLEN. Are you certain it would appear?

Mr. HAVEMEYER. No, sir. I have never seen the records of the meetings.

Senator ALLEN. The board of directors, as I understand it, quite frequently authorizes at its meetings the expenditure of certain moneys of the company for election purposes?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. It never makes a formal authorization for the expenditure of money?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. However, when moneys are expended it always approves the expenditures, does it not?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. How would these moneys appear charged upon the books of the company?

Mr. HAVEMEYER. I can not answer that question. The treasurer probably can inform you.

Senator ALLEN. Is the money charged to the expense account?

Mr. HAVEMEYER. I have not charge of the books and do not know that. The treasurer can probably inform you.

Senator ALLEN. Mr. Searles, the secretary and treasurer, was examined here the other day, and he said he did not know how it would appear charged on the books, but he thought it would appear charged to some particular individual.

Mr. HAVEMEYER. I think he is the only one who can answer.

Senator ALLEN. You have access to the books of the concern, have you not?

Mr. HAVEMEYER. I have the privilege of access to the books, but I have never exercised that privilege.

Senator ALLEN. You being a heavy stockholder in it would probably be more or less concerned about its expenditures, would you not?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. You do not mean to say that you do not either
xamine in person or by competent representatives the books of the
ompany?
Mr. HAVEMEYER. Never.
Senator ALLEN. You take it for granted that everything is all right
ithout examination?
Mr. HAVEMEYER. Yes, sir.
Senator ALLEN. What sums of money, in the aggregate, as nearly
s you can tell, have been expended by the American Sugar Refining
ompany for election purposes since 1891?
Mr. HAVEMEYER. I can not answer that question.
Senator ALLEN. Can you form any estimate of the amount of money?
Mr. HAVEMEYER. I should say very little.
Senator ALLEN. Can you tell us, in round numbers, approximately
e amount that has been expended?
Mr. HAVEMEYER. No, sir.
Senator ALLEN. You have a pretty definite idea, have you not?
Mr. HAVEMEYER. No, sir; I have not.
Senator ALLEN. As a member of that company and pecuniarily inter-
ted in its success, you have a pretty definite idea of the money thus
xpended, have you not?
Mr. HAVEMEYER. No, sir. I put reliance on the judgment of my
rother in this matter, who has this thing in charge, and whatever he
oes is entirely satisfactory to me.
Senator ALLEN. Your brother, Henry O. Havemeyer, is the man
ho expends the money for election purposes?
Mr. HAVEMEYER. Yes, sir; in New York, I should say.
Senator ALLEN. Does any other member of the American Sugar
efining Company expend the money of the company for that purpose?
Mr. HAVEMEYER. No, sir.
Senator ALLEN. All that is expended is expended by your brother,
ho is the president of the company?
Mr. HAVEMEYER. Yes, sir; and by, perhaps, Mr. Searles.
Senator ALLEN. The secretary and treasurer?
Mr. HAVEMEYER. Yes, sir.
Senator ALLEN. Whatever these gentlemen expend is satisfactory
the company?
Mr. HAVEMEYER. Certainly.
Senator ALLEN. However, the money is expended on behalf of the
ompany and is charged to the company?
Mr. HAVEMEYER. That would be a matter for Mr. Searles to say how
is charged.
Senator ALLEN. In any event, it goes to the expense account of the
merican Sugar Refining Company, and comes out of the assets of that
ompany?
Mr. HAVEMEYER. I presume it does.
Senator ALLEN. It is the money of the American Sugar Refining
ompany that is thus expended, is it not?
Mr. HAVEMEYER. Of course.
Senator ALLEN. And must appear in some form upon the books of
at company?
Mr. HAVEMEYER. I should say so.
Senator ALLEN. And the exact form in which it appears you do not
now?
Mr. HAVEMEYER. No, sir.
Senator ALLEN. And never did know?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. You say this money is expended for local purposes, as I understand you?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. That is, you mean, when you say local purposes, State purposes, as distinguished from national purposes?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. It goes into the campaign fund of the State organization of either the Republican or Democratic party in the Stat in which the money is donated?

Mr. HAVEMEYER. I presume so.

Senator ALLEN. In what States have you expended money of the American Sugar Refining Company for election expenses?

Mr. HAVEMEYER. I can not answer that.

Senator ALLEN. Have you expended any money in the State of New Jersey?

Mr. HAVEMEYER. I do not know.

Senator ALLEN. That is the nativity of your company, is it not; the natal place of your organization?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. And you maintain an office in Jersey City, do you not?

Mr. HAVEMEYER. Yes.

Senator ALLEN. Where do you hold your directors' meeting?

Mr. HAVEMEYER. No. 117 Wall street.

Senator ALLEN. You know money was expended in the State of New York, do you not?

Mr. HAVEMEYER. I do not.

Senator ALLEN. Or in the State of Massachusetts?

Mr. HAVEMEYER. I do not know the details connected with this expenditure at all.

Senator ALLEN. Do you know any States in the Union where money was expended by the company in the election of 1892 and 1893?

Mr. HAVEMEYER. I do not.

Senator ALLEN. Do you know from hearsay, from your brother or Mr. Searles, or any other man connected with the Sugar Refining Company as to where this money was expended?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. Have you the slightest idea or conception of where that money was expended?

Mr. HAVEMEYER. My idea is there might be some expended in New York.

Senator ALLEN. And some expended elsewhere?

Mr. HAVEMEYER. I do not know anything about that.

Senator ALLEN. Your idea is, it was expended in New York in advancing the interest of what political party?

Mr. HAVEMEYER. I can not say.

Senator ALLEN. You do contribute, however, to the success of the particular party that dominates in the State where the contribution is made, do you not?

Mr. HAVEMEYER. Repeat that question, please.

Senator ALLEN. If the Democratic party is in the ascendency, to illustrate, in the State of New York, you contribute to the Democratic campaign fund there?

Mr. HAVEMEYER. We would donate to the Democratic party if we thought that party would give us a better government than the Repub-

licans, and to the Republican party if we thought that party would give us a better government than the Democratic party.

Senator ALLEN. In the State of Massachusetts, the Republican party being in the ascendency, you would contribute to the Republican party there?

Mr. HAVEMEYER. I do not think we would, unless we thought the Republican party would give us better government than the Democratic party.

Senator ALLEN. Whenever the company contributes money for political purposes it does it with the expectation of receiving something in return from the party to which it has donated, does it not?

Mr. HAVEMEYER. Directly, no. Indirectly, yes.

Senator ALLEN. I do not mean that any special lesislation or anything of that kind will be made as a return for the money, but you expect your interests to be looked upon in a little different light by the political party to which you contribute money, if it succeeds in coming into power or holds itself in power, do you not?

Mr. HAVEMEYER. As we look upon it, we are simply large real-estate owners. Anything that reduces taxation and gives us better docks and wharves and gives us better men at the head of the Government, it is a duty for individuals as well as corporations to contribute toward that party.

(The last question was repeated to the witness.)

Mr. HAVEMEYER. I answer, directly, no; indirectly, yes. I believe that anything that contributes to good government is worthy of support, and I call——

Senator ALLEN. Your company being divided politically, part of its officers and stockholders being Democrats and another portion of them being Republicans, I should think you would find some difficulty in agreeing upon expending the money for any political party.

Mr. HAVEMEYER. I do not think we have any politics among our board of directors.

Senator ALLEN. No politics in your company?

Mr. HAVEMEYER. I do not think so.

Senator ALLEN. The business interest of the concern is the politics of the American Sugar Refining Company?

Mr. HAVEMEYER. The paramount and the only.

Senator ALLEN. So your company would be Republican where it was to its interest to be Republican, and Democratic where it is to its interest to be Democratic; that would be the policy of the company, would it not?

Mr. HAVEMEYER. I think it would be Republican if it thought the Republicans would give us better government than the Democrats.

Senator ALLEN. And it would be Democratic vice versa?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. That is the policy under which the company has acted heretofore?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. And is the probable policy in the future?

Mr. HAVEMEYER. I think so.

Senator ALLEN. Your company was organized as the American Sugar Refining Company in 1891, with a capitalization of $50,000,000, I understand?

Mr. HAVEMEYER. It was organized in 1891 with a capital, I think, of $50,000,000—reorganized, I might say.

Senator ALLEN. It was reorganized from the American Sugar Refineries Company?

Mr. HAVEMEYER. You might say organized.

Senator ALLEN. Your company is the lineal successor of what was formerly known as the sugar trust or American Refineries Company?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. This organization in 1891 took place shortly after the court of appeals had declared the former organization illegal?

Mr. HAVEMEYER. The court of appeals declared the methods of the former organization illegal.

Senator ALLEN. Declared the Parsons contract upon which it was formerly organized as illegal, did it not?

Mr. HAVEMEYER. As I understand, it declared our corporation illegal, because it considered the method a copartnership of corporations, and under our charter our corporation had no right to act as copartners.

Senator ALLEN. Then you went into the State of New Jersey and procured a charter under the name of the American Sugar Refining Company, under which you are now operating?

Mr. HAVEMEYER. We did.

Senator ALLEN. And the American Sugar Refining Company inherited all the property and assets of the Sugar Refineries Company, did it not?

Mr. HAVEMEYER. It bought the property.

Senator ALLEN. Well, bought it?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. The same men who were in the Sugar Refineries Company are now in the Sugar Refining Company?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. The same stockholders?

Mr. HAVEMEYER. I do not know about the stockholders. I am speaking about the officers.

Senator ALLEN. Now, in 1892 you recapitalized or increased your capital stock to the amount of $25,000,000?

Mr. HAVEMEYER. By consent of the stockholders we increased our capital stock $25,000,000.

Senator ALLEN. And bought in some independent refineries after that with that issue?

Mr. HAVEMEYER. We used that increased stock for the purchase of the so-called Philadelphia refineries.

Senator ALLEN. And you bought in how many independent refineries after that?

Mr. HAVEMEYER. I think four.

Senator ALLEN. You bought in the Spreckels refinery, among others, at Philadelphia?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. What others?

Mr. HAVEMEYER. The Franklin, Knight and Delaware.

Senator ALLEN. All located at Philadelphia?

Mr. HAVEMEYER. All located at Philadelphia.

Senator ALLEN. Did you buy in any located at other places?

Mr. HAVEMEYER. I think not.

Senator ALLEN. As a part of the purchase of the Spreckels factory at Philadelphia did the American Sugar Refining Company become a holder of part of the stock of the Western Refining Company, of California?

Mr. HAVEMEYER. I can not answer that question.

Senator ALLEN. When did your company become interested in the Western Sugar Refining Company, of San Francisco, Cal.?

Mr. HAVEMEYER. I would have to refer to my brother for that information.

Senator ALLEN. Relatively so. I do not care about the exact date.

Mr. HAVEMEYER. I should say about that time, or shortly after.

Senator ALLEN. About the time you purchased the Spreckels factory at Philadelphia, or shortly after that?

Mr. HAVEMEYER. I would like to mention in this connection that I had nothing at all to do with the details. I know nothing about them.

Senator ALLEN. As a member of the company you have general knowledge of it?

Mr. HAVEMEYER. It is my impression, because it was a distinct part of our business, with which I had absolutely nothing to do.

Senator ALLEN. So the purchase of the Spreckels factory at Philadelphia, Pa., by the American Sugar Refining Company, and the sale of one-half interest in the Western Refining Company at San Francisco, Cal., to the American Sugar Refining Company were practically contemporaneous acts?

Mr. HAVEMEYER. I can not answer.

Senator ALLEN. What is your best recollection as to that being the fact?

Mr. HAVEMEYER. I know that the Philadelphia refineries were purchased from the increase of the stock of the American Sugar Refining Company, but I have no recollection when we acquired or in what way we acquired the half interest in the Western Sugar Refinery.

Senator ALLEN. However, up to the time of the purchase of the Spreckels Philadelphia factory, the American Sugar Refining Company and Claus Spreckels had no business in common in this country, had they?

Mr. HAVEMEYER. I do not think they had.

Senator ALLEN. And since that time Claus Spreckels and the American Sugar Refining Company have been operating harmoniously in the United States in the manufacture and sale of sugar?

Mr. HAVEMEYER. I can not answer that.

Senator ALLEN. The sugars refined in the Western Sugar Refining Company in San Francisco, Cal., are Hawaiian sugars, are they not?

Mr. HAVEMEYER. Principally.

Senator ALLEN. Principally the Hawaiian sugars grown upon the Spreckels plantations in the Hawaiian Islands?

Mr. HAVEMEYER. They are grown in Hawaii. I do not know upon what plantations. It is so-called Sandwich Island sugar.

Senator ALLEN. And through that means, through your interest in the Western Refining Company, owning a half interest with Spreckels in that company, you are able to control to some extent the output of sugar of the Hawaiian Islands through that company?

Mr. HAVEMEYER. No; I do not think we control the Hawaiian sugars.

Senator ALLEN. At least it makes your relations with Spreckels more harmonious than they were before?

Mr. HAVEMEYER. I do not see exactly how that would give us control of the crop.

Senator ALLEN. Before you bought out Spreckels' Refinery in Philadelphia, there was active competition between you and Spreckels, was there not?

Mr. HAVEMEYER. In Philadelphia; yes, sir.

Senator ALLEN. And when you bought out Spreckels in Philadelphia that active competition ceased?

Mr. HAVEMEYER. I do not know how that is in regard to California.

Senator ALLEN. But it ceased in the East here?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. And was really a beneficial and money-making transaction on the part of your company?

Mr. HAVEMEYER. I think so.

Senator ALLEN. Now, Mr. Spreckels to-day holds many millions of your stock, does he not?

Mr. HAVEMEYER. I do not know.

Senator ALLEN. You paid him something like $10,000,000 for his interest in Philadelphia, did you not?

Mr. HAVEMEYER. I think so; that is my impression.

Senator ALLEN. Did you pay him any more than that?

Mr. HAVEMEYER. I do not think so. I really know very little about it.

Senator ALLEN. What did you pay Spreckels for a half interest in the Western Refining Company in San Francisco?

Mr. HAVEMEYER. I can not answer that.

Senator ALLEN. What is your best recollection as to the amount?

Mr. HAVEMEYER. I have no recollection about it.

Senator ALLEN. Was it $4,000,000 or $5,000,000?

Mr. HAVEMEYER. I really know very little about the transactions.

Senator ALLEN. You, individually, owned some of the stock in the Western Refining Company?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. Is that stock owned by the American Sugar Refining Company as a corporation?

Mr. HAVEMEYER. I think so. Pardon me for not being able to answer these questions a little more clearly, but it has been really outside of my business.

Senator ALLEN. I realize that you are not the active business man. What amount of money, in round figures, has the American Sugar Refining Company been able to make since its organization, in 1891?

Mr. HAVEMEYER. I should say it has made from $20,000,000 to $25,000,000 in three years.

Senator ALLEN. Net to the stockholders?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. From $20,000,000 to $25,000,000? Are you not able to give it with more accuracy?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. Before that time and before the establishment of the American Sugar Refining Company in 1887, you were not able to make so much money, were you, upon your capitalization?

Mr. HAVEMEYER. I think ,immediately preceding the year 1887, the business had been very disastrous as a general thing.

Senator ALLEN. And it is true, then, that under the organization of the sugar trust, so called, you had been able to make a great deal more money than you made under the system of free refineries?

Mr. HAVEMEYER. May I ask for how long a period subsequent to the establishment you refer to, or is it just in a general way?

Senator ALLEN. Up to the time of the organization of the American Sugar Refineries Company in 1887, you had not been able to make as much money under the system of free refineries as you were able to make after the formation of that company, were you?

Mr. HAVEMEYER. I think a few years before the organization the business had been disastrous.

Senator ALLEN. Disastrous from the standpoint of the sugar refiners?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. Disastrous from the standpoint of profit on the capital invested in the industry?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. And correspondingly beneficial to the consumer of sugar, of course?

Mr. HAVEMEYER. I do not know that I can say that.

Senator ALLEN. After the formation of the sugar trust in 1887, I think it was, was it not?

Mr. HAVEMEYER. In 1887; yes, sir.

Senator ALLEN. The business of sugar refining became more profitable to the refiner, and you were able to make more money refining sugar than before that time; that is correct, is it not?

Mr. HAVEMEYER. We were able by the economies introduced to make more money.

Senator ALLEN. After the organization of the American Sugar Refining Company, in 1889, you were able to make still more money, by your ability to control the American sugar market?

Mr. HAVEMEYER. In 1889?

Senator ALLEN. In 1891; since 1891; since the reorganization under your present name?

Mr. HAVEMEYER. I do not really know what bearing that has upon it.

Senator ALLEN. I say you have been able to make, in consequence of your ability to control the sugar market and fix the prices of sugar in the United States, a greater percentage upon the capital invested than you were before that time?

Mr. HAVEMEYER. No; I do not know that we have been. I do not see exactly what difference the year 1891 would make—whether we would make more after or before.

Senator ALLEN. You reorganized in 1891?

Mr. HAVEMEYER. The reorganization of the company does not bring more money.

Senator ALLEN. Very well. By the reorganization of the company in 1891 and the recapitalization in 1892, you were able to control the prices of sugar in the American market, were you not?

Mr. HAVEMEYER. I do not see exactly what the reorganization has to do with it.

Senator ALLEN. You were able to fix the price of sugar, were you not? In 1892 you issued $25,000,000 more and bought in four more factories.

Mr. HAVEMEYER. You said 1891; I beg your pardon.

Senator ALLEN. Since that time you have been able to control the American sugar market, have you not?

Mr. HAVEMEYER. No; I do not think we control the American sugar market.

Senator ALLEN. That is, you and Spreckels, acting in harmony, control the American sugar market, do you not?

Mr. HAVEMEYER. I hardly think so.

Senator ALLEN. Do you say you do not?

Mr. HAVEMEYER. I should say we do not.

Senator ALLEN. Does not the price of sugar in New York rule throughout the United States and fix the price of sugar throughout the United States?

Mr. HAVEMEYER. I do not think so.

Senator ALLEN. That is, adding transportation and these things that are essential?

Mr. HAVEMEYER. I do not think so.

Senator ALLEN. If your brother, Henry O. Havemeyer, so testified, is that correct?

Mr. HAVEMEYER. It would not be correct according to my idea. It may be correct in his.

Senator ALLEN. You bought a half interest in the Western Sugar Refining Company at San Francisco, Cal., with the primary purpose of assisting in controlling the sugar market of the United States, did you not, as a means to that end?

Mr. HAVEMEYER. The purchase of the Western Sugar Refining Company in San Francisco?

Senator ALLEN. Yes.

Mr. HAVEMEYER. I do not think so. I do not see exactly why we should.

Senator ALLEN. You do not see why you should?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. Now, if that was a means to the end——

Mr. HAVEMEYER. I do not see——

Senator ALLEN. Wait a moment, please. If that was a means to the end of enabling you to carry out your purpose of controlling the market of American sugars, it would be a pretty good transaction, would it not?

Mr. HAVEMEYER. Yes, sir. But I do not see how it would give us control as long as 20 per cent of refined sugar is made outside of our company's control.

Senator ALLEN. If you, by means of purchasing Spreckels's interest in Philadelphia and becoming interested with him in the Western Sugar Refining Company at San Francisco, Cal., could thus destroy and did destroy the competition which had existed between Spreckels and your company up to that time——

Mr. HAVEMEYER. As far as Spreckels is concerned——

Senator ALLEN. Then it would enable you to control the American sugar market?

Mr. HAVEMEYER. If Spreckles was the only one outside of us who made refined sugar.

Senator ALLEN. But the other refineries are comparatively small.

Mr. HAVEMEYER. They make 20 per cent of the total refined sugar in the United States.

Senator ALLEN. What per cent of the total refined sugar in the United States is made by the American Sugar Refining Company?

Mr. HAVEMEYER. From 75 to 80 per cent.

Senator ALLEN. And that includes the sugars made by the Western Refining Company at San Francisco, Cal., does it not?

Mr. HAVEMEYER. I think it includes them.

Senator ALLEN. Including the sugars made by the Western Refining Company at San Francisco, what percentage does the American Refining Company make?

Mr. HAVEMEYER. I should say they make 80 per cent of all the sugar——

Senator. ALLEN. That enables you to control the sugar market in the United States?

Mr. HAVEMEYER. I should not think so.

Senator ALLEN. Was not your company organized primarily for the purpose of controlling the American sugar market?

Mr. HAVEMEYER. I do not think so.

Senator ALLEN. And by controlling the American market and giving you practically a monopoly of the market, by that means makes your investment in sugar stocks more profitable to the stockholders?

Mr. HAVEMEYER. I do not think so.

Senator ALLEN. What purpose did you have in organizing this immense company?

Mr. HAVEMEYER. For several reasons.

Senator ALLEN. What were they?

Mr. HAVEMEYER. One reason was that previous to the organization the business had not been very lucrative, and we foresaw the same results which had happened in previous years. For instance, during from 1875, I think, to 1880 a great many refineries had been driven out of existence when the law of the survival of the fittest came into effect, and they were not able to compete with their more better-equipped and more modern refineries, and it looked very much in 1887 as if that same disaster was again to come to many of the refineries.

Senator ALLEN. Now, divested of all its verbiage, you reorganized into this large compact company because it was a better business transaction to do so and more profitable?

Mr. HAVEMEYER. I can not say why other people did it.

Senator ALLEN. You would not have done so if it had been less profitable?

Mr. HAVEMEYER. I would not have done so if there was any stability to business in this country.

Senator ALLEN. Under a system of free factories you had been able to accumulate large fortunes, had you not, and the stockholders of your company?

Mr. HAVEMEYER. Previous to its organization our company was a corporation.

Senator ALLEN. And you had been able to accumulate large fortunes in doing business in that way, had you not?

Mr. HAVEMEYER. Yes, sir; but we wanted to keep it.

Senator ALLEN. You wanted to keep it and wanted to increase it, did you not?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. And for the purpose of keeping it and for the purpose of increasing it, also, you reorganized in your present form?

Mr. HAVEMEYER. I think if I had seen other ways of keeping what I had, I would not have consented.

Senator ALLEN. By that means——

Mr. HAVEMEYER. I beg your pardon. I have not quite gotten through yet.

Senator ALLEN. Well, go ahead.

(The last answer was read to Mr. Havemeyer.)

Mr. HAVEMEYER. Well, I will let that answer stand.

Senator ALLEN. By that means you have been able to make your former fortune more secure and at the same time have accumulated money more rapidly than you did before; is not that true?

Mr. HAVEMEYER. I think I made my fortune more secure because I put it in a dividable shape.

Senator ALLEN. Let us get down to the facts. You have been able to increase your fortune as well since this reorganization as to make it

more secure, have you not? I do not want to go into the particulars of what you make.

Mr. HAVEMEYER. I do not see exactly where the security comes in and where the increase comes in.

Senator ALLEN. Let me put it in a different form if you do not see that. The present organization, from a business standpoint, to the stockholders of the American Sugar Refining Company is better than the previous organization, is it not?

Mr. HAVEMEYER. No; I do not think so.

Senator ALLEN. It is better than the former system under free factories, is it not?

Mr. HAVEMEYER. No more so than it enables one to refine a little cheaper.

Senator ALLEN. Do you not regard the accumulation of $25,000,000 or $30,000,000 within two or three years on a capitalization of $75,000,000 as a tremendous business transaction?

Mr. HAVEMEYER. No, sir; not when you come to consider the immense amount of sugar we have refined.

Senator ALLEN. And an unusual earning for the investment?

Mr. HAVEMEYER. No, sir; I should not consider that very much.

Senator ALLEN. That money has come out of the American people, has it not?

Mr. HAVEMEYER. No more than the profit on a barrel of flour comes out of the American people, and no more than land——

Senator ALLEN. I understand all those illustrations as well as you do. You sold your sugars in the American market?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. Most all of them?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. This $25,000,000 or $30,000,000, whatever it may be, the profit that has come to you in the last two or three years, has come out of the American people as profit on American sugar?

Mr. HAVEMEYER. The $25,000,000 which we have made has been paid us by the American consumer.

Senator ALLEN. Now, has there ever been anything in your business transactions as a sugar-refining company calling for the expenditure of money in a political way?

Mr. HAVEMEYER. Calling for it? No, sir.

Senator ALLEN. So all money that has been contributed by the American Sugar Refining Company for political purposes has been a voluntary contribution on the part of your company?

Mr. HAVEMEYER. I should say so.

Senator ALLEN. Have you ever been solicited by any representative of the national Republican or Democratic party to give any money to them?

Mr. HAVEMEYER. No, sir. Did you say personally?

Senator ALLEN. Have you yourself contributed any money to either of these parties?

Mr. HAVEMEYER. Since when?

Senator ALLEN. During the years 1892 and 1893?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. Or before the year 1892?

Mr. HAVEMEYER. When?

Senator ALLEN. Did you contribute to the campaign in 1892?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. In no form?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. Excepting as a stockholder of the American Sugar Refining Company?

Mr. HAVEMEYER. As a stockholder, I suppose a stockholder——

Senator ALLEN. That is, the money of the company was contributed?

Mr. HAVEMEYER. The money of the company was contributed. I got a little confused as to the personal matter and the company's money.

Senator ALLEN. All the money that was contributed for political purposes has been voluntarily contributed by the American Sugar Refining Company and without any solicitation upon the part of any person for that contribution?

Mr. HAVEMEYER. That is my impression.

Senator ALLEN. And that has been the custom of the American Sugar Refining Company since its organization in 1887?

Mr. HAVEMEYER. I should say so.

Senator ALLEN. And you say you have no means of forming anything like a correct idea of the amount of money that has been thus contributed, or the amount of money that was contributed in any one year?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. Or the specific purpose for which it was contributed?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. Not being an active manager of the company?

Mr. HAVEMEYER. No, sir; my brother and Mr. Searles could testify on that point.

Senator ALLEN. You do not ordinarily invest money without expecting a return for it, do you?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. When you invest money in political parties, the money of the American Sugar Refining Company, you expect, as a matter of course, that the company will receive something for that money, do you not?

Mr. HAVEMEYER. I should say so.

Senator ALLEN. You know now, and did know at that time, that you were entitled to the full protection of the law in every feature of it without any contribution as much as you would be with it?

Mr. HAVEMEYER. We might be entitled to it and not get it.

Senator ALLEN. You knew you were as much entitled to the protection of the law without the contribution as with it, the protection of your rights?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. The constabulary affairs of New York and of the State are as open to you without it as with it?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. Then you must have made the contribution for the purpose of placating those in authority of the party to whom you made the contribution. Is not that so?

Mr. HAVEMEYER. I do not think so; I do not think there was any placating about it.

The CHAIRMAN. Are you speaking now of contributions made to the State campaign fund or the national campaign fund?

Mr. HAVEMEYER. There are certain contributions which corporations have to make. Take, for instance, the fireman's fund, the fund

for the widows and orphans. They come to you and say: "Didn't we protect your property? This is a charitable object. Can you not give us $100, $200, or $300?" and we naturally give it. We gain thereby a little popularity in case anything happens to the property of the American Sugar Refining Company, instead of the firemen saying the refinery is a contemptible concern, and never contributed anything toward helping them. So it is with the policemen and fire parades. So it goes on, a thousand and one things which we are expected to contribute to, and which citizens and corporations have done and still do contribute to them.

The CHAIRMAN. Do you class contributions of that description with contributions that you make to campaign funds for political purposes?

Mr. HAVEMEYER. Yes, sir.

The CHAIRMAN. Are you speaking of contributions to the national campaign fund or the local campaign fund?

Mr. HAVEMEYER. I have already stated, to the local campaign fund. As far as the national campaign fund is concerned, we have not contributed, to my knowledge, 1 cent.

Senator ALLEN. I was asking you if you did not expect some return for these contributions?

Mr. HAVEMEYER. We expect the return in better government. We expect a return in better streets. We have immense cartage, and we expect the streets to be well paved. We expect better police service and better fireman's service, and we expect a reduced tax. We expect all these things which good government brings and which bad government does not.

Senator ALLEN. I am aware of all those things. I asked you if you did not expect some favors, some returns from those elected to office, in consequence of your contributions?

Mr. HAVEMEYER. We did not; I know of no favors that the municipal authorities of New York would give us to-day.

Senator ALLEN. Your company, since its organization, has kept some person in Washington, when Congress was in session, to watch the movements of Congress, has it not?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. Have you not either had your brother or Mr. Searles here at each session of Congress when tariff legislation was under consideration?

Mr. HAVEMEYER. My brother is an officer of the company, and as an officer of the company has been here watching the interests of the stockholders; watching their rights.

Senator ALLEN. Your company has sent your brother down here constantly during sessions of Congress to watch the progress of tariff legislation, has it not?

Mr. HAVEMEYER. My brother has not been down here constantly; he has been down here ten days or two weeks since the 1st of January.

Senator ALLEN. I do not mean without a break, but I mean, practically, some one has been down here watching tariff legislation by Congress, during sessions of Congress, in the interest of your company?

Mr. HAVEMEYER. There has been nobody here in Washington representing our company except my brother and Mr. John E. Searles.

Senator ALLEN. And Mr. Searles has been here practically all the winter, has he not?

Mr. HAVEMEYER. I do not think so. I have not watched his movements. He was here before the investigating committee, and I saw him here this morning.

Senator ALLEN. Was he here when the Committee on Ways and Means acted on the present Wilson bill?

Mr. HAVEMEYER. I can not say that.

Senator ALLEN. And was here when the Finance Committee of the Senate acted upon it?

Mr. HAVEMEYER. I can not answer that.

Senator ALLEN. And he was here for the purpose of talking to the Finance Committee on the sugar schedule, was he not?

Mr. HAVEMEYER. He ought to have been, if he was not.

Senator ALLEN. And you send one of your representatives to be here in attendance on Congress when a schedule of that kind is under consideration?

Mr. HAVEMEYER. If we think a schedule of that kind will be destructive to our industry, we do.

Senator ALLEN. And you pay that man for his time and services in coming here?

Mr. HAVEMEYER. I say there has been no one in Washington representing this industry except my brother and Mr. Searles. My brother and Mr. Searles are salaried officers of this company. They receive no compensation for what you may term this extra service.

Senator ALLEN. When they are drawing their salary as officers of the company, they also draw extra compensation from the company as expenses for their time and services here in Washington?

Mr. HAVEMEYER. They draw no extra expenses except hotel and railroad. I do not believe they make a charge for even this.

Senator ALLEN. However, it is the policy of the American Sugar Refining Company to keep some person in Washington to look after the proposed measures by Congress so far as they affect the pecuniary interests of the American Sugar Refining Company?

Mr. HAVEMEYER. It is not the policy of the American Sugar Refining Company to keep any person in Washington to look after their interests. But whenever they think their interests are in jeopardy, or when they think their interest requires it, their officers come to Washington and make that explanation.

Senator ALLEN. And they send their officers to Washington——

Mr. HAVEMEYER. Whenever they think the interest of the stockholders is in jeopardy they come to Washington.

Senator ALLEN. And any legislation or proposed legislation which would lessen the present tariff under the McKinley act to sugar refining would be considered by you as affecting your interest, would it not?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. Under the McKinley act you get half a cent, that much differential?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. A reduction of that would affect your interest, would it not?

Mr. HAVEMEYER. I do not think so. A reduction of it might lessen the profits.

Senator ALLEN. And therefore affect your pecuniary interests, would it not?

Mr. HAVEMEYER To that extent it would affect our pecuniary interests.

Senator ALLEN. If you could retain that tax under the McKinley act with reference to the proposed action of Senate amendments to the bill now under consideration, you would do it?

Mr. HAVEMEYER. The company might. I can not speak for them.

Senator ALLEN. I am speaking of the company. It would be business policy for the company to do so, would it not?

Mr. HAVEMEYER. I suppose so.

Senator ALLEN. It would be money in your pocket?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. That is what you mean, is it, when you say that either your brother or Mr. Searles is upon the ground in Washington whenever you think your interests require their presence?

Mr. HAVEMEYER. No, sir. In other words, I do not think they come here to advocate the retention of the present McKinley law.

Senator ALLEN. Is any United States Senator in the service of the American Sugar Refining Company in any respect, directly or indirectly, that you know of?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. Is any United States Senator in the service of any stockholder, or anyone connected with the American Sugar Refining Company, that you know of?

Mr. HAVEMEYER. Not that I know of.

Senator ALLEN. Are any of them engaged by you as attorneys?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. Do you receive through any United States Senator any information as to proposed legislation?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. You do not mean to say, do you, that your company is as free from undertaking to interfere with national legislation, for instance, as the agricultural people; that you make no more effort to control it than they do?

Mr. HAVEMEYER. I do not think half as much.

Senator ALLEN. And yet whenever the sugar schedule is under consideration by the United States Congress some one of your officers is present to watch it. That is true, is it not?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. And on all those occasions you have a deep interest in the action of Congress, have you not?

Mr. HAVEMEYER. Of course we have.

Senator ALLEN. Now you know, as a matter of fact, that there is no organization of farmers here looking after their interests, do you not?

Mr. HAVEMEYER. I do not know anything about that. I know there are farmers' alliances and meetings, and you are instructed by your State how to vote and all that sort of thing.

Senator ALLEN. You do not recognize any difference between a patriotic agitation of public questions and the system of lobbying members of Congress directly in the interest of some big industry, do you?

Mr. HAVEMEYER. I do not consider when the officers of the company find their interests at stake and they come here to Washington to make a fair and square explanation of it to the legislators that that can be called lobbying. That is a duty we owe to our stockholders. That is not lobbying according to my interpretation of the term.

Senator ALLEN. Between the public agitation of public questions that shall form, and generally form, sentiments throughout the country, between that and special importunity to Members of Congress in favor of special pecuniary interests, you do not recognize any difference?

Mr. HAVEMEYER. I recognize that Senators and members of the House of Representatives are the servants of the people. I take the ground that a Representative must represent the material interests of his district, and he is in duty bound—if it is brought to his attention

by his constituents, a majority of his constituents, that his action and vote are contrary to the material interests of that district—he is bound in honor to resign his position and allow them to put somebody in the House of Representatives who will represent them, and I hold the same as to Senators. I look upon a Senator as a servant of the people, bound to hear the views of his constituents upon any——

Senator ALLEN. When you get through your discourse I will ask you another question.

Mr. HAVEMEYER. This is not a discourse. You asked my opinion. He is bound to hear the opinions of his constituents upon these questions.

Senator ALLEN. That is your judgment?

Mr. HAVEMEYER. How would he know it otherwise? Suppose if I went to Europe——

Senator ALLEN. I asked you——

Senator DAVIS. I think he ought to be allowed to finish his sentence.

Mr. HAVEMEYER. This is the only country in the world where the the people are allowed to seek their Representatives and Senators. How can a Senator know about a great question unless he keeps himself informed by those who have devoted their lifetime to it and have a lifelong interest in it? The trouble about it is, when we give an opinion, you say it is prejudice. That is a mistake. A man who has a big interest at stake does not dare to tell anything except the truth, because if he did not tell the truth it would be found out the next day, and his evidence would not be worth a snap. You asked me why I did not come here. I did not feel as if I dared approach those who represent me, and instead of coming here and telling the truth about it, I did not dare to come down here or walk down Pennsylvania avenue with a Senator, unless the press of the country would say: "That Senator is being tempted by Havemeyer." It is a shame that such things exist, but nevertheless it is a fact.

Senator ALLEN. Now let us get back to the question before you get excited.

Mr. HAVEMEYER. I am not excited.

Senator ALLEN. Now, I wish you would answer this question categorically, and not run into a discourse on morals. You do not recognize a difference between a patriotic agitation of public questions by the people and the personal importunities of corporations made to Members of Congress in their behalf?

Mr. HAVEMEYER. I do not know what personal importunities are. I do not understand the question.

Senator ALLEN. I can make it plainer to you. If you are a member of Congress and I am representing some corporate interest, and I go to you to-day and personally lay my view of a public matter before you and then come to you to-morrow and the next day and constantly repeat that until that subject is passed into legislation, I look upon that as personal importunity, do you not?

Mr. HAVEMEYER. I should say if a man understands the question——

Senator ALLEN. Please answer the question whether you do or do not.

Mr. HAVEMEYER. I should say not.

Senator ALLEN. Now, between that kind of work——

Mr. HAVEMEYER. I beg you pardon; I have not finished my answer.

Senator ALLEN. Between that kind of work—you understand what I mean?

Mr. HAVEMEYER. I do not understand you. I wish you would explain it.

Senator ALLEN. Very well, then; I am through examining if you do not understand it.

Mr. HAVEMEYER. I mean to say that personal importunity may be absolutely necessary until those who represent you have a clear idea of the facts connected with the interest you represent, and what is necessary for their material benefit. Is that the point?

Senator ALLEN. Let me see if I can get an answer to one more question. Between coming to Washington and daily and weekly visiting some Member of Congress and laying your special and particular interest before him, between that kind of work and the agitation of public questions throughout the country by the American people, do you recognize any difference?

Mr. HAVEMEYER. No, sir; I do not see how you can. There is no impropriety in a personal interview.

Senator ALLEN. You think you have a right to go to a Member of Congress in either branch, in the absence of any other person, and lay before him constantly, or as often as you may think fit, your peculiar and special interest, and that there is no impropriety in doing it?

Mr. HAVEMEYER. Not at all.

Senator ALLEN. Would you think you had the same right to go before the judge of a court before whom your cause was being tried, and lay your cause before him privately?

Mr. HAVEMEYER. No, sir; because he hears the testimony. He does not decide before first hearing the testimony. He hears both sides.

Senator ALLEN. Congress has organized committees to attend to these matters, and there is the place to lay your complaint. Now in addition to that you go to the private rooms and homes of Members of Congress to talk with them, do you not?

Mr. HAVEMEYER. I suppose we do. I do not know what my brother has done.

Senator ALLEN. You regard that as perfectly legitimate and proper, do you?

Mr. HAVEMEYER. I regard it as perfectly legitimate and proper for every citizen of the United States to bring before a Representative or Senator his views of any question pending before the House of Representatives and which may become, by their not knowing the facts connected with it, not having heard testimony, a serious menace to his industry, and which may mean the passage of a law which may be destructive to his industry.

Senator ALLEN. And you have a right to go to him personally?

Mr. HAVEMEYER. I have a right to go to him personally.

Senator ALLEN. At his house, and meet and talk with him privately, instead of going to the committee where the measure may be pending?

Mr. HAVEMEYER. I believe he has a right to get his view before the member from his district.

Senator ALLEN. That is all.

Mr. HAVEMEYER. The other is a matter of etiquette, whether you importune or not.

Senator LINDSAY. You have not been to Washington this winter?

Mr. HAVEMEYER. No, sir.

Senator LINDSAY. To what branch of the management of the affairs of the Sugar Refining Company do you give your personal attention?

Mr. HAVEMEYER. I am a refiner.

Senator LINDSAY. You occupy a position to be advised at all times as

to the quantity of crude sugar in the market and on hand held by the trust or the refining company?

Mr. HAVEMEYER. Not particularly that.

Senator LINDSAY. You have general knowledge of the condition of the sugar market?

Mr. HAVEMEYER. Yes, sir.

Senator LINDSAY. At what season of the year is the greatest amount of crude sugar available in the market?

Mr. HAVEMEYER. I should say in the spring of the year.

Senator LINDSAY. From March until June or July?

Mr. HAVEMEYER. I should say from February until June or July.

Senator LINDSAY. How do the supplies of sugar in June or July compare with the available supplies of sugar in January?

Mr. HAVEMEYER. I should say they were more. The available supply is in June or July. You mean from foreign countries?

Senator LINDSAY. Yes; all places from which sugar refiners buy sugar.

Mr. HAVEMEYER. More in January than in July.

Senator LINDSAY. After or before the 1st of January?

Mr. HAVEMEYER. After.

Senator LINDSAY. How do the supplies of crude sugar in the United States now available for refining purposes compare with the supplies that have usually been on hand at this season of the year?

Mr. HAVEMEYER. I should say they are about the same.

Senator LINDSAY. What sugars will be available to be purchased—crude sugar—between this and the 1st of January. Where will they come from?

Mr. HAVEMEYER. I suppose the crop in Europe, the beet crop, will be available.

Senator LINDSAY. I mean crude cane sugars.

Mr. HAVEMEYER. If we had ordered them we might get some from Java; might get some from Manila. That is about all, I should say—and some beet sugar from Germany.

Senator LODGE. You can get all the cheap grades of cane sugar?

Mr. HAVEMEYER. All the cheap grades of cane sugar would come in now.

Senator LODGE. And the beet sugars of Europe?

Mr. HAVEMEYER. And the beet sugars of Europe.

Senator LINDSAY. Do you buy beet sugar for the purpose of refining?

Mr. HAVEMEYER. Yes, sir; when we can not get the cane. But we prefer the cane.

Senator LINDSAY. Now, after the 1st of January where will the supply of crude cane sugar come from?

Mr. HAVEMEYER. Cuba, principally.

Senator LINDSAY. What proportion of crude sugars come from Cuba that enter into the refining process of America?

Mr. HAVEMEYER. I should say about, perhaps, three-eighths to half.

Senator LINDSAY. Three-eighths to half the crop comes from Cuba?

Mr. HAVEMEYER. Yes, sir.

Senator LINDSAY. That is, that you buy from foreign countries?

Mr. HAVEMEYER. Yes, sir. I would like to say, if you will permit me, that I am a little unfamiliar with this branch. My brother has all this at his fingers' ends.

Senator LINDSAY. I will ask you now whether or not there are more

crude sugars on hand in America, or available for American purposes, than will supply the demand from now until the 1st of January?

Mr. HAVEMEYER. I do not think I could answer that question except so far as the refining is concerned.

Senator LINDSAY. I mean for refining purposes.

Mr. HAVEMEYER. I do not think we have any larger stock now than we usually carry at this season of the year.

Senator LINDSAY. Do you think any supply could be aggregated between this and the 1st of January?

Mr. HAVEMEYER. I do not think so; no, sir.

Senator LINDSAY. There has been reference here made to a decision of the court of appeals of the State of New York as having dissolved the trust which was created in 1889. Is it not a fact that that judgment of the court of appeals, or the courts of New York, applied only to a single corporation, the New York corporation?

Mr. HAVEMEYER. I think it did.

Senator LINDSAY. And although that was dissolved, the trust continued until the reorganization under the New Jersey charter?

Mr. HAVEMEYER. Yes, sir.

Senator LINDSAY. The other sixteen interests remaining unaffected by the——

Mr. HAVEMEYER. That is my opinion.

Senator LINDSAY. Those were corporations and partnerships outside of New York?

Mr. HAVEMEYER. So far as I understand the situation the court of appeals said our method was a copartnership between corporations, and that our New York charter did not give us a right for the corporation to act as a copartner.

Senator LINDSAY. And the New York corporation was dissolved for that reason?

Mr. HAVEMEYER. The New York corporation was dissolved for that reason, and then this reorganization took place.

Senator LINDSAY. And the other sixteen kept on until there was a reorganization under the New Jersey charter?

Mr. HAVEMEYER. Yes, sir; until there was a reorganization under the New Jersey charter.

Senator LINDSAY. And, therefore, there was no break in the community of interest and the community of management?

Mr. HAVEMEYER. That is so.

Senator LODGE. You have a refinery in Massachusetts, have you not?

Mr. HAVEMEYER. We have two; the Continental and the Standard.

Senator LODGE. Is the statement true I have seen in the paper that there is a suit now pending, brought on the information of the attorney-general of Massachusetts, against your company?

Mr. HAVEMEYER. I believe so.

Senator LODGE. The charge is that you have not made returns required by law?

Mr. HAVEMEYER. I think so.

Senator LODGE. That is all.

SWORN STATEMENT OF SENATOR WILLIAM V. ALLEN.

The CHAIRMAN. Are you a Senator of the United States from the State of Nebraska?

Senator ALLEN. I am.

The CHAIRMAN. How long have you been such?

Senator ALLEN. Since the 4th day of March, 1893.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator ALLEN. I have been in constant attendance on this session of Congress with the exception of the first week of Congress in December. I was absent the first week.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator ALLEN. I have not, and have known nothing about it whatever.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator ALLEN. I have not.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation whether by purchase or sale of said stocks or certificates?

Senator ALLEN. I have not.

The CHAIRMAN. Has anyone bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator ALLEN. No, sir.

The CHAIRMAN. Has any member of your family or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions in any transaction in sugar stocks or certificates during the period mentioned?

Senator ALLEN. No, sir; they have not.

The CHAIRMAN. Have you or has any member of your family, or any such clerk owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator ALLEN. No, sir.

The CHAIRMAN. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator ALLEN. I have not.

SWORN STATEMENT OF SENATOR CUSHMAN K. DAVIS.

The CHAIRMAN. Are you a Senator of the United States from the State of Minnesota?

Senator DAVIS. I am.

The CHAIRMAN. How long have you been such?

Senator DAVIS. Since March 4, 1887.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator DAVIS. Yes.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator DAVIS. No; I never had any such information.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator DAVIS. No.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator DAVIS. No.

The CHAIRMAN. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator DAVIS. No.

The CHAIRMAN. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested, in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator DAVIS. Not to my knowledge, and I should know if they had.

The CHAIRMAN. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator DAVIS. No.

The CHAIRMAN. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator DAVIS. No.

SWORN STATEMENT OF SENATOR WILLIAM LINDSAY.

The CHAIRMAN. Are you a Senator of the United States from the State of Kentucky?

Senator LINDSAY. I am.

The CHAIRMAN. How long have you been such?

Senator LINDSAY. Since 21st of February, 1893.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator LINDSAY. I have.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator LINDSAY. I have not, and have had no information that was not open to the public.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator LINDSAY. I have not.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator LINDSAY. I have not.

The CHAIRMAN. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator LINDSAY. No, to each branch of the interrogatory.

The CHAIRMAN. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested, in any of the ways indicated in any of the preceding questions, in any transaction in sugar stock or certificates during the period mentioned?

Senator LINDSAY. No.

The CHAIRMAN. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator LINDSAY. No.

The CHAIRMAN. Have you at any time been connected with the American Sugar Refining Company or have you at any time been in its employ as attorney, agent, or otherwise?

Senator LINDSAY. No.

SWORN STATEMENT OF SENATOR HENRY CABOT LODGE.

The CHAIRMAN. Are you a Senator of the United States from the State of Massachusetts?

Senator LODGE. Yes.

The CHAIRMAN. How long have you been?

Senator LODGE. Since March 4, 1893.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator LODGE. I have.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator LODGE. I have not.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar

stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator LODGE. No.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator LODGE. No.

The CHAIRMAN. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator LODGE. No.

The CHAIRMAN. Has any member of your family or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator LODGE. No.

The CHAIRMAN. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator LODGE. No.

The CHAIRMAN. Have you, at any time, been connected with the American Sugar Refining Company, or have you, at any time, been in its employ as attorney, agent, or otherwise?

Senator LODGE. No.

SWORN STATEMENT OF SENATOR GEORGE GRAY.

By Senator LINDSAY. Are you a member of the United States Senate from the State of Delaware?

Senator GRAY. I am.

Senator LINDSAY. How long have you been such?

Senator GRAY. Since March, 1885.

Senator LINDSAY. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator GRAY. I have.

Senator LINDSAY. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator GRAY. I have not, and have had no such information that was not given to the public.

Senator LINDSAY. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator GRAY. I have not.

Senator LINDSAY. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stocks or certificates?

Senator GRAY. I have not.

Senator LINDSAY. Has any one bought or sold for your account, or

in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator GRAY. No, sir.

Senator LINDSAY. Has any member of your family or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator GRAY. No, sir.

Senator LINDSAY. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator GRAY. No, sir.

Senator LINDSAY. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator GRAY. I have not.

SWORN STATEMENT OF SENATOR WILLIAM B. ALLISON.

The CHAIRMAN. Are you a Senator of the United States from the State of Iowa?

Senator ALLISON. I am.

The CHAIRMAN. How long have you been such?

Senator ALLISON. Since 4th of March, 1873.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator ALLISON. I have not.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator ALLISON. I have not.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator ALLISON. I have not.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator ALLISON. I have not.

The CHAIRMAN. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator ALLISON. They have not.

The CHAIRMAN. Has any member of your family or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested, in any of the ways

indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator ALLISON. They have not.

The CHAIRMAN. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator ALLISON. Not that I know of; I am quite sure not.

The CHAIRMAN. Have you, at any time, been connected with the American Sugar Refining Company, or have you, at any time, been in its employ as attorney, agent, or otherwise?

Senator ALLISON. I have not.

SWORN STATEMENT OF SENATOR NELSON W. ALDRICH.

The CHAIRMAN. Are you a Senator of the United States from the State of Rhode Island?

Senator ALDRICH. I am, sir.

The CHAIRMAN. How long have you been such?

Senator ALDRICH. Since October, 1881.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator ALDRICH. I have.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator ALDRICH. No, sir.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator ALDRICH. I have not.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operations, whether by purchase or sale, of said stocks or certificates?

Senator ALDRICH. I have not.

The CHAIRMAN. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in said stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator ALDRICH. No, sir.

The CHAIRMAN. Has any member of your family or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator ALDRICH. They have not.

The CHAIRMAN. Have you, or has any member of your family, or such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator ALDRICH. No, sir.

The CHAIRMAN. Have you, at any time, been connected with the American Sugar Refining Company? Or have you, at any time, been in its employ as attorney, agent, or otherwise?

Senator ALDRICH. Never.

SWORN STATEMENT OF SENATOR JAMES H. BERRY.

The CHAIRMAN. Are you a Senator of the United States from the State of Arkansas?

Senator BERRY. I am.

The CHAIRMAN. How long have you been such?

Senator BERRY. Since 25th of March, 1885.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator BERRY. All the entire time.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator BERRY. I have not, to my knowledge.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator BERRY. Neither since nor before that time.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stock or certificates?

Senator BERRY. I have not.

The CHAIRMAN. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator BERRY. No, never.

The CHAIRMAN. Has any member of your family or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested, in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator BERRY. None; I have never heard of it.

The CHAIRMAN. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator BERRY. Never, to my knowledge.

The CHAIRMAN. Have you, at any time, been connected with the American Sugar Refining Company, or have you, at any time, been in its employ as attorney, agent, or otherwise?

Senator BERRY. Never.

SWORN STATEMENT OF SENATOR WILLIAM B. BATE.

The CHAIRMAN. Are you a Senator of the United States from the State of Tennessee?

Senator BATE. Yes, sir.

The CHAIRMAN. How long have you been such?

Senator BATE. Since the 7th of last March.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator BATE. Yes; constantly, until I was appointed as one of the Board of Visitors to West Point, and I left here for that place on the 31st of May and returned day before yesterday.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company that was intended or calculated to affect its value?

Senator BATE. I have not.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress any so-called sugar stock or stocks or stock or certificates of the American Sugar Refining Company?

Senator BATE. I have not and never did at any time in my life. I might say in this connection that I never speculated in any kind of stocks or bonds whatever, in any way.

The CHAIRMAN. Have you been concerned with any one in interest, direct or indirect, contingent or otherwise, in any operation whether by purchase or sale of said stocks or certificates?

Senator BATE. No, sir; none whatever.

The CHAIRMAN. Has any one bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator BATE. Never, sir.

The CHAIRMAN. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator BATE. Not one.

The CHAIRMAN. Have you, or has any member of your family, or any such clerk owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator BATE. No, sir.

The CHAIRMAN. Have you, at any time, been connected with the American Sugar Refining Company? Or have you, at any time, been in its employ as attorney, agent, or otherwise?

Senator BATE. Never.

SWORN STATEMENT OF SENATOR JOSEPH C. S. BLACKBURN.

The CHAIRMAN. Are you a Senator of the United States from the State of Kentucky?

Senator BLACKBURN. Yes, sir.

The CHAIRMAN. How long have you been such?

Senator BLACKBURN. Since March, 1885.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator BLACKBURN. Yes.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator BLACKBURN. No, sir.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks or stock or certificates of the American Sugar Refining Company?

Senator BLACKBURN. No, sir.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator BLACKBURN. No, sir.

The CHAIRMAN. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator BLACKBURN. No, sir.

The CHAIRMAN. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested, in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator BLACKBURN. No, sir.

The CHAIRMAN. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator BLACKBURN. No, sir.

The CHAIRMAN. Have you, at any time, been connected with the American Sugar Refining Company, or have you, at any time, been in its employ as attorney, agent, or otherwise?

Senator BLACKBURN. No, sir.

SWORN STATEMENT OF SENATOR CALVIN STEWART BRICE.

The CHAIRMAN. Are you a Senator of the United States from the State of Ohio?

Senator BRICE. Yes.

The CHAIRMAN. How long have you been such?

Senator BRICE. Since March, 1891.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator BRICE. I have.

The CHAIRMAN. Have you given any information, directly or indirectly, to any one interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator BRICE. I have not.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator BRICE. I have not.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator BRICE. I have not.

The CHAIRMAN. Has anyone bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator BRICE. I answer no as to all of the questions.

The CHAIRMAN. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator BRICE. No.

The CHAIRMAN. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator BRICE. No, sir.

The CHAIRMAN. Have you, at any time, been connected with the American Sugar Refining Company, or have you, at any time, been in it its employ as an attorney, agent, or otherwise?

Senator BRICE. I have not.

The CHAIRMAN. Mr. Brice, in a letter published in the Philadelphia Press May 14, 1894, signed "Holland," speaking of these sugar stocks and speculation in them, there is this statement:

> We now turn from the purely political and partisan influences brought to bear upon the Senate to others which have been peculiar, in part pecuniary, and out of the use of which have arisen so many scandalous and disreputable stories affecting the honor of individual Senators. It is not bribery known to the statutes or common law for a member of a parliamentary body to speculate upon the probable course of legislation. It is not even disreputable according to the peculiar moral code which has enabled Senator Brice, Senator Smith, and some others to accumulate wealth.

I ask you, Senator, whether that statement, which means to impute that you and others have been enabled to accumulate wealth upon the probable course of legislation, is true, and to state what you have to say in regard to it.

Senator BRICE. Before or since entering the Senate?

The CHAIRMAN. Since entering the Senate.

Senator BRICE. But I may as well answer as to the whole time, both before and since, that I have never been concerned in any speculations or investments, or interests in them, the result of which depended upon legislation in Congress or elsewhere. Since entering the Senate I have not been concerned in any way, directly or indirectly, in any property, securities, stocks, investments, or speculations in anything that is mentioned in the tariff bill from the first line to the end of the free list, with the exception of some local manufacturing establishments in Lima and adjoining towns in Ohio. Nor have I sought to accumulate wealth in any way by investment or speculation since I entered the Senate in any of the things which I have mentioned. In other words, my investments and the things with which I am concerned are not connected with or affected by the operations of the tariff act, except as the general property of the country is.

Senator ALLEN. Then, Senator, what would you say as to the imputation contained in this article that has been read?

Senator BRICE. That there is no truth whatever in it so far as I am concerned.

The CHAIRMAN. It is stated in the article to which I have referred, and it has been in testimony before the committee, that you were present in the Arlington Hotel, in the room of a Mr. Terrell, with Mr. Havemeyer, president of the American Sugar Refining Company, and some other person or persons, at which time the matter of the value of sugar stocks was discussed, and the effect of the tariff legislation upon the same, and in which the particular schedule desired by the sugar trust, so called, was considered.

Senator BRICE. I was never present at any conference or meeting where any such subject was discussed. I was at the Arlington Hotel on the evening of the 7th of March, last, at the room of Mr. H. L. Terrell, of New York (for the past thirty years one of my most intimate friends). I called at Mr. Terrell's room for the purpose of meeting him and a common friend, a New York lawyer interested in railway matters, and not concerned with or interested in the tariff bill in any way. We spent perhaps an hour or an hour and a half without any other person being present. Mr. Terrell, with whom I had for many years business interests, but with whom I have had no interests whatever in any way for more than six years last past, said that he was interested in sugar, and discussed the question of the effect of an ad valorem as compared with a specific tax, about which I was concerned. Mr. Terrell said that Mr. Henry Havemeyer was in the hotel. I requested that he send for Mr. Havemeyer, that I might get Mr. Havemeyer's statements, presuming him to be the best-informed man in the country on that subject. He came, and after a few minutes' talk on the subject——

The CHAIRMAN. Let me ask there, were you previously acquainted with Mr. Havemeyer?

Senator BRICE. If I had been at all acquainted with Mr. Havemeyer, it was no more than a familiarity with his face. I had never exchanged words in my life with Mr. Havemeyer on any business subject, nor do I think we had been more than introduced—we had a bowing acquaintance—up to the time that he came into Mr. Terrell's room. He went back to his own room and brought from that to Mr. Terrell's room some 10 or 12 cases of sugar of various kinds, both raw and refined, and discussed the manufacture of sugar, the different kinds of sugar, the prices in various markets, and the effects of specific and ad valorem duties, for some time, possibly three-quarters of an hour, possibly an hour. I said to Mr. Havemeyer that there was a strong feeling against a tax on sugar, and against any additional tax on refined sugar, and that I had great doubt whether the Senate and the House would not put sugar, both raw and refined, on the free list——

The CHAIRMAN. The House?

Senator BRICE. And the Senate—I said both the Senate and House—would not put both raw and refined on the free list. Mr. Havemeyer became pretty earnest, and, while I do not recollect his exact words, he attacked the policy of the Democratic majority in the Senate and House as being destructive of the manufacturing interests of the country. This I resented, and said to him that while I was from a State which, in my judgment, favored free sugar, both raw and refined, and had no manufacturing sugar interest in it, I would do what was fair and right, if he and other refiners could satisfy me what that was, but that in no event would I concede more than half the differential in favor of refined sugar allowed by the existing or McKinley law; that I was inclined to believe that there was some protection to the refiners in an ad valorem schedule. He stated that there was

absolutely none; and the discussion continued for a little while on that point.

At this time Senator Smith, of New Jersey, who had been informed at my house that I had gone to call on Mr. Terrell, came into the room. No talk on sugar, however, or on the sugar schedule, occurred after he came in, except that I think Mr. Havemeyer made some reference to the fact that he and I had been having an excited discussion, or a difference or a wrangle. My recollection is that Senator Smith remained but a few moments, and Mr. Havemeyer left the room, I think, about the same time; whether before or after Senator Smith I do not recollect. The only other person whom I recollect being in the room during that evening was Mr. Reed, who said that he had simply come in to pay his respects or make a call on Mr. Terrell. He exchanged a few pleasant words and went out of the room. I think that covers all that I have in mind now.

The CHAIRMAN. In this article, Senator, it is stated, speaking of this interview alleged to have occurred at the Arlington, about the time you speak, it is stated—

Mr. Havemeyer displayed a great deal of indignation. He rebuked Senator Brice for failing to secure such influence in the Senate as the sugar people expected him to secure. He turned to Senator Smith and asked him bluntly, almost brusquely, what he was going to do to maintain the pledges of the party leaders the to sugar men and to secure a satisfactory schedule. Senator Smith replied that he did not see what he could then do, but he said there was always this consolation, that if they could not secure the schedule they wanted they could surely defeat the bill, leaving the present law operative.

What have you to say in regard to that allegation?

Senator BRICE. Nothing of the sort occurred.

Senator LODGE. Did Mr. Havemeyer say anything about obligations of the party for gift of money?

Senator BRICE. Absolutely nothing, in any way. There was no reference to it in words or in intimation.

The CHAIRMAN. Did he rebuke you for failing to secure such influence as the sugar people expected you to secure?

Senator BRICE. He did not. He did not have or intimate that he had any reason to believe that I would assist the sugar people in any way.

The CHAIRMAN. Was it said, as is in this letter alleged, as follows:

In the course of that conversation it was said that if such a schedule as would be satisfactory was adopted or even reported the price of sugar on the market would advance 30 points in thirty days.

Senator BRICE. Nothing of that kind was said at that interview or at any other time or place.

The CHAIRMAN. It is said in the same letter:

On the very day that Mr. Voorhees, the chairman of the Finance Committee, denied in the Senate that any amendments were proposed to the Senate's bill as originally reported by the Finance Committee, the list of some 400 amendments, as prepared by Senator Jones, was in the hands of one of the members of the brokerage firm of Moore & Schley. He had not arisen when it was placed in his hands. He was in bed, for it was early morning. He sat up in bed and read these amendments, conspicuous among them being the final determination regarding the sugar schedule. So that while the Senate, the House, the country not only knew nothing of these amendments, but were assured by the chairman of the Finance Committee that there were none, Senator Brice's brokers had a copy of the amended bill and the privilege which was denied even to the chairman of the Finance Committee of reading them.

Do you know anything about that?

Senator BRICE. I do not.

The CHAIRMAN. Did you furnish or procure to be furnished, such list of the amendments?

Senator BRICE. I did not. I may say that I never saw the amendments or knew anything about them personally, either by inspection or by hearsay, until they were reported to the Senate, except one or two amendments, the general substance of which was reported to the Democratic caucus.

The CHAIRMAN. Did you communicate those amendments, or the substance or purport of them, to Moore & Schley, or any other firm of brokers?

Senator BRICE. I did not.

The CHAIRMAN. Or to anybody who could use them for speculative purposes?

Senator BRICE. So far as I know, I did not.

The CHAIRMAN. You have spoken of one interview on the 7th of March. What other interviews did you have with Mr. Havemeyer, if any, or with any other person connected with the American Sugar Refining Company, or the sugar trust, so called?

Senator BRICE. I met Mr. Havemeyer several times on the street, or in some public place, and perhaps once or twice chatted with him for a moment.

The CHAIRMAN. Did you ever call upon him?

Senator BRICE. No; I never called upon Mr. Havemeyer, but some little time after I met him in the Arlington Hotel——

The CHAIRMAN. Do you mean the occasion to which you have just referred?

Senator BRICE. Yes, sir; on the 7th of March. Perhaps one or two or three days after 3 or 4 Senators were at my house discussing various matters connected with the tariff bill, and especially the question of specific or ad valorem duty on sugar. Senator White, of Louisiana, now Justice White, Senator Caffery, Senator Gorman, Senator Hill, and myself. There was a considerable difference as to whether there was any protection whatever in an ad valorem duty; whether there was any protection to the refiner in a simple ad valorem duty.

The CHAIRMAN. That is, an ad valorem that was the same as on raw?

Senator BRICE. The same duty on raw and refined—whether there was any protection in that to the refiner. Senator Caffery contended that there was. I think Senator White also. I said that I had talked with Mr. Havemeyer, who was equally positive that there was not. Senators Caffery and White said if they could talk with Mr. Havemeyer they could show that he was wrong. I said: "It is a very simple matter for you to do that. He is at the Arlington, and I will send a servant around and ask him to come to my office in the wing of my house here, and you can have a talk with him." They said they would be glad to do that.

The CHAIRMAN. How far is the Arlington Hotel from your house?

Senator BRICE. The Arlington Hotel is one block from my house. I called a servant and sent him to Mr. Havemeyer with a request for him to come to my office, which he did. I asked which of the two Louisiana Senators would discuss the matter with him and after conference Senator Caffery said he would meet Mr. Havemeyer and take up that question. I took Mr. Caffery to the office, where we found Mr. Havemeyer. I introduced him to Mr. Havemeyer, and left them in conversation, without taking any part in the conversation myself.

The CHAIRMAN. Did either of the other Senators go into the office?

Senator BRICE. None of the other Senators went into the office or

saw Mr. Havemeyer at all. He remained fifteen or twenty minutes, possibly longer; may have been as much as half an hour. He left the house without any of us seeing him after he had seen Senator Caffery. Senator Caffery returned and gave an account of his discussion with Mr. Havemeyer. We continued the discussion of the question as to whether there was any protection to the refiner in the same ad valorem on raw and refined for half or three-quarters of an hour, possibly, and separated, and the Senators went home without any conclusion being reached.

Senator ALLEN. When Senator Caffery returned from his interview with Mr. Havemeyer, had Mr. Havemeyer succeeded in convincing him that there was no protection in a specific system?

Senator BRICE. Senator Caffery said that they did not agree, because they did not agree on the prices at which sugars sold on the market. They had taken different prices. Havemeyer had one list or set of prices, from which he could prove his proposition, and Senator Caffery had another list of prices which, used as premises, would force his conclusion.

Senator ALLEN. Was there any conclusion reached by the Senators in that conference as to the course to be pursued?

Senator BRICE. None; except that the real price at which sugar was selling and had been selling must be obtained, and when those prices were obtained the conclusion would easily be reached.

Senator ALLEN. Was there any other interview, which you recollect, with Mr. Havemeyer?

Senator BRICE. None in which there was any discussion of the sugar question.

Senator LINDSAY. I will ask you, Senator, whether or not the Louisiana Senators were willing to take any ad valorem or insisted on specific duty?

Senator BRICE. The Louisiana Senators insisted on specific duties.

The CHAIRMAN. Have you met any other officer of the American Sugar Refining Company, or so-called sugar trust, in Washington or elsewhere, during the pendency of the bill, in which you have discussed their interests with reference to the tariff bill?

Senator BRICE. Not to my knowledge.

The CHAIRMAN. It is stated in the same letter to which I referred, published in the Philadelphia Press, as follows:

> There came a time in the management of the Democratic campaign when money was imperatively needed. The sugar trust had already subscribed something, but as we look back upon the events of that campaign it is impossible not to be convinced that the greater subscription of the trust was held back until there could be a satisfactory understanding with the influential Democrats who were managing the campaign. In the stress which the need for money had occasioned these managers were willing to pledge almost anything for cash. Some of the pledges were inferential, as in the Van Alen case; some of them explicit. Whether Mr. Whitney, Mr. Gorman, or Mr. Brice met the representatives of the sugar trust, or whether it was some other agent, must not now be said. Whitney was intimate with them through close business relations; Brice was associated with them through friendly alliances and particularly through his friend, H. I. Terrell, of Cleveland, "Brice's Terrell," as they called him; and Mr. Gorman was brought into close association with them by another agency which it may be well at present not to reveal.

I will ask you as to your knowledge of the allegations and insinuations contained in the paragraph just read.

Senator BRICE. There is no truth whatever in them. I do not think that Mr. Terrell ever had any interest in the sugar-trust stock until long after 1892. I had no alliances or affiliations with the sugar people in any way whatever.

The CHAIRMAN. Did you ever meet any representative of the sugar trust in regard to campaign contributions?

Senator BRICE. I never met any of them, or any agents or people speaking for them, and know of no contributions made or solicited from the sugar trust or the people connected with it.

The CHAIRMAN. You have spoken so far as you yourself are concerned. What do you say as to Mr. Whitney and Mr. Gorman, so far as you know?

Senator BRICE. I know nothing.

The CHAIRMAN. Do you know whether they met representatives of the sugar trust?

Senator BRICE. So far as I know, they did not.

The CHAIRMAN. You have no reason to think they did?

Senator BRICE. I have no reason to think they did, except the current statements in the newspapers.

The CHAIRMAN. It is stated further on that—

Appeal was made to these men for money, and upon the distinct pledge, as will be shown later on, that there would be no legislation at the hands of the Democracy which should be antagonistic to the interests of the sugar people, and if there were any legislation at all it should be friendly, the sugar trust went deep into its capacious treasury.

Senator BRICE. I know nothing whatever about it. I did not know anything about the contributions, who made them, how much was made, or how the money was used in the campaign of 1892. I do not think Mr. Gorman knew anything about it more than I did. Previously to July 1, 1892, for four years I had been in charge of the contributions and expenditures, and during that period no money was received from the sugar trust or any people interested in it, so far as I know, by the national committee or anyone connected with it or employed by it.

The CHAIRMAN. So far as you know, what have you to say as to the truth of the statement that there was a distinct pledge then given, or at any time given, that there would be no legislation at the hands of the Democracy which should be antagonistic to the interests of the sugar people, in consideration of which they went deep into their treasury?

Senator BRICE. Nothing of that kind whatever. I have read some articles in the various newspapers, and have heard people speak of it casually as matter of rumor.

Senator LODGE. Do you know of any contributions, Senator Brice, to the State committees by the sugar trust, or any person connected with it?

Senator BRICE. I do not.

Senator ALLEN. Was there any meeting on Benedict's yacht, as described in this article, at which you attended?

Senator BRICE. I never attended it or heard of it except in this publication.

The CHAIRMAN. Were you ever on Benedict's yacht with Mr. Cleveland?

Senator BRICE. I was never on Mr. Benedict's yacht in my life, certainly not with Mr. Cleveland.

Senator LODGE. When the bill came over from the House it had free sugar all through. Were you in favor putting a duty on sugar?

Senator BRICE. I was not.

Senator LODGE. You were in favor of keeping them all free?

Senator BRICE. I was.

Senator LODGE. After the schedule of specific duties was reported in the first report, were you in favor of retaining those specific duties?

Senator BRICE. I was not.

Senator LODGE. You favored ad valorem duties?

Senator BRICE. I favored no duty whatever; but if any duty was to be put on, and I recognized from the situation that some duty must be put on, it should be a revenue duty and ad valorem, unless there was something concealed in the ad valorem that made it protective in its operation as to refined sugars. As representing my own feeling and the feeling in my own State, I was in favor of free sugar, both raw and refined, but recognizing that under the circumstances there must be concessions, I said to the Finance Committee, in the only interview which I had with that committee or with any member of the committee on the sugar question, that I was willing to concede and vote for a revenue duty on sugar. I preferred it should be ad valorem, but would be governed by the decision of the committee as to whether it should be ad valorem or specific. I would be satisfied to concede and vote for any differential in favor of the refiners, provided that it should not, directly or indirectly, exceed one-half the differential which had been allowed in the McKinley bill.

Senator LODGE. Was this conversation with the Finance Committee to which you refer after the first schedule was reported?

Senator BRICE. No, sir; it was before my first meeting with Mr. Havemeyer; and since March 7, when I met Mr. Havemeyer first, I have not been in the Finance Committee, and have not met the Finance Committee, nor have I had any conversation with the members of the Finance Committee on the subject of the sugar schedule, or with anyone of them.

Senator LODGE. Did you advise anyone or ask the influence of anyone in favor of a change from specific rates to the ad valorem?

Senator BRICE. I did not; my attitude, so far as the sugar question was concerned, was entirely indifferent. It was to be satisfied with whatever conclusion the Finance Committee arrived at, subject to my request of them that they should not give any higher differential in favor of refined greater than one-half of that in the McKinley or existing act. My interest in the tariff bill was entirely in other schedules—general manufacturing and commercial interests.

Senator LODGE. I understand you to say that you talked with nobody about the sugar schedule after the first one was reported?

Senator BRICE. No one connected with the Finance Committee. I have had general discussions with Senators as to the effect of ad valorem and specific duties, and the effect of putting the tariff in operation on a given date, the date of the passage of the bill, or extending the time to the 1st of January as when it should be effective, but I have had no preferences, except as indicated.

Senator LODGE. In those conversations you did not argue——

Senator BRICE. I made no condition or requirement that there should be any particular thing done with sugar. I was not concerned about that portion of the bill, except in a general way, as every Senator is.

Senator ALLEN. Senator, I understand, then, that you have and have had no concern whatever in the sugar schedule any more than any other?

Senator BRICE. Absolutely none.

Senator ALLEN. Only that based upon your duty as a Senator?

Senator BRICE. Absolutely no more. And I have not sought to influence the action of the Finance Committee or anyone of its members, directly or indirectly, on the sugar question, other than to indicate my

feeling that they ought not to go further than one-half the protection given by the McKinley bill.

Senator ALLEN. Any pecuniary interest you had or may have had during the pendency of this bill would not be affected whether the schedule was adopted upon sugar or not?

Senator BRICE. Not the slightest; nor any other thing that there is in the tariff bill, as I say, from the enacting clause to the end of the free list. I was concerned, of course, with the question of corporations in the income tax.

Senator ALLEN. I understood you to say that you recognized the necessity of putting a tax upon sugar?

Senator BRICE. I did.

Senator ALLEN. You may explain that, if you will.

Senator BRICE. I recognize the fact that the bill must have 43 votes to pass, and that 43 votes could not be obtained for the bill unless there was a duty on sugar.

Senator ALLEN. Did you recognize anything in the condition of the fiscal affairs of the Government which demanded a tax on sugar?

Senator BRICE. I believed, as a lawmaker, that it was proper to put a revenue duty on sugar; that there was a necessity for some tax to make up the deficit left by the Wilson bill as it left the House, and that it was proper to make that up by a duty on sugar. I further had some question as to whether putting the income tax into this bill was a judicious act under the circumstances, and believed that if a revenue duty were put on sugar it might provide for the deficit without the necessity of resorting to the income tax.

Senator ALLEN. Was there anything in the condition of the Treasury, or its probable condition, that made you recognize the necessity for the sugar tax?

Senator BRICE. Yes; the actual deficit for this year, and the probable deficit for the future under the Wilson bill, would put the Treasury in such a condition that such a tax was natural and proper. When I said I was opposed to any tax on sugar whatever as representing my own people I thought they would prefer to have free sugar, but recognized that the circumstances were such that it was not possible to gratify that feeling on the part of my constituents.

Senator DAVIS. You recognized the fact that it was necessary to have 43 votes to pass the bill?

Senator BRICE. I did.

Senator DAVIS. Did it seem that to get those 43 votes it was necessary to have an ad valorem duty on sugar?

Senator BRICE. It did not; no particular thing was necessary, but I can say that a duty on sugar in some form was essential to secure the passage of the bill.

Senator DAVIS. A sugar duty was necessary to secure the Louisiana vote?

Senator BRICE. Some duty on sugar was necessary for satisfying the opinion of various Senators. Those opinions were stronger in some cases than in others. It was not the Louisiana Senators alone who believed that a tax on sugar, but Senators who did not like the income tax, and were not locally interested in sugar, insisted on the tax on sugar, with the idea that it would make unnecessary the putting in of the income tax.

The CHAIRMAN. I will ask you in that connection whether, to your knowledge, there was not quite a number of Senators who believed

that in a proper tariff bill a tax on sugar was a necessary element a a revenue tax?

Senator BRICE. I think that a majority of the Democratic Senators were of that opinion.

Senator ALLEN. Is it not true, so far as you know, that the Louisiana Senators preferred the present McKinley act to any tax upon sugar?

Senator BRICE. I can not say that the Louisiana Senators did. There was undoubtedly a very strong element in their own State—a powerful and influential element in their own State—that would have preferred the McKinley act to remain on the statute books.

Senator ALLEN. They would be benefited more by the McKinley act than by this bill?

Senator BRICE. So far as the Senators spoke for the strong element in their State, they would have been satisfied with the McKinley act, but they had also their general views as lawmakers for the whole country, and as members of the Democratic party.

Senator LODGE. Did I understand that the Louisiana Senators preferred specific duties?

Senator BRICE. They did.

Senator LODGE. It was not at their request that the change was made to ad valorem?

Senator BRICE. From specific to ad valorem; no.

Senator LODGE. Was that done owing to the wishes of a majority of the Democratic Senators?

Senator BRICE. I have no means of arriving at the opinion of the Democratic Senators or the majority of them on that subject, but having expressed my own opinion to the Finance Committee, which opinion I also expressed to other individual Democrats when the subject was under discussion, I allowed that matter to take its own course; but I will say that I think the majority of the Democratic Senators have been in favor of an ad valorem duty on sugar as well as on all other articles wherever practicable.

Senator LODGE. Was that form of duty carried originally?

Senator BRICE. Ad valorem?

Senator LODGE. Yes, sir.

Senator BRICE. That form of duty was carried in the first draft of the Finance Subcommittee's report. In the first Democratic caucus the ad valorem principle was carried for almost everything in the bill.

Senator LODGE. That was not the reported draft?

Senator BRICE. No; it was changed after that, materially. It was changed in many cases before the report of March 11 was made.

Senator LODGE. Did that earlier report carry an ad valorem on sugar?

Senator BRICE. It did not. It had a specific duty on sugar and a specific duty on coal.

Senator LODGE. As reported?

Senator BRICE. As suggested by the subcommittee to the first Democratic caucus, and substantially as reported in the first draft. It was a specific duty of 1 cent a pound.

Senator LODGE. Not a graded duty?

Senator BRICE. Not a polariscope duty; an arbitrary duty of 1 cent a pound on all sugars.

Senator LINDSAY. Since the gentlemen have gone into an investigation of the interior workings of the Democratic party, and asked you about matters which I do not believe were within the scope of the investigation, I will ask you if you have made any investigations on

the subject of the operations of the specific as compared with ad valorem duties?

Senator BRICE. I have made enough to satisfy my own mind.

Senator LINDSAY. What conclusion did you reach?

Senator BRICE. I came to the conclusion that an ad valorem duty on sugar was the only proper duty to be levied on it.

Senator LINDSAY. Have you made investigations as to the other question, the proper time for the sugar duties to take effect, and the reason therefor?

Senator BRICE. I made a very careful investigation as to the question of the time when the law shall take effect.

Senator LINDSAY. Will you give the Committee the benefit of the researches, conclusions, and data upon which you base those conclusions?

Senator BRICE. Advancing the tariff or putting a tariff on an article previously on the free list is of advantage to the holders of the stock of that article on the day when the tax goes into effect. The greatest advantage will be on the day on which the greatest stock can possibly be on hand. As to whether the holders of sugar, whether refiners or speculators, will get a greater or less profit, if it goes into effect on the 1st day of July this year, or the 1st of January next year, depends upon when the greatest amount of sugar can possibly be held by these refiners.

The time when the sugar crop matures, and the time when the consumption of sugar is greatest, determine that question. The great sugar crop of the world matures so that it is brought into this country in the spring precisely at the time when the greatest consumption commences, the greatest consumption being in the months of July, August, and September, the summer season, when it is used in fruits and in beverages. It is not possible, commercially, to acquire and hold it without taking it entirely out of the market and making a sugar famine, which of itself would put up the price and induce the holders to dispose of it. It is not possible, in my judgment, to acquire as large a stock and have it on hand on the 1st day of January as on the 1st day of July.

I have looked over the reports of the stock on hand—visible supply of sugar for the past five years—and they show that the greatest stock on hand is, ordinarily, along about the 1st of June, and the importations come along in those months. It would be natural that the sugar refiners and speculators, seeing that the law was likely to pass at this session of Congress, and, ordinarily, would take effect immediately after the adjournment of Congress, would, in anticipation, acquire and have on hand as large a stock of sugars as possible. That conjecture is borne out by the fact that on the 1st day of June, twelve days since, there was on hand in the four ports of the Atlantic coast more than twice the ordinary supply of sugar.

Senator LINDSAY. At the corresponding season of the year?

Senator BRICE. At the corresponding season. The largest stock of sugar ever known in this country. I do not believe that it would be possible for them to keep it out of consumption and import enough to equal on January 1 that which they to-day have.

Senator LINDSAY. Have you had occasion to investigate, and, if so, give the result of your investigation, the effect that the legislation of 1890, commonly called the McKinley bill, had upon the stocks of the then sugar trust, and those who afterwards became members of the sugar trust?

Senator BRICE. I have. Since this discussion has been going on as to speculations during this year, I have examined the market quotations for the first half of 1890, during which the McKinley bill was in progress through the House of Representatives and the Senate Finance Committee.

Senator LINDSAY. I desire that you should give the results of your investigation.

Senator BRICE. The sugar trust was formed in 1887, with a capital of $50,000,000. The stock was listed in one of the departments of the New York Stock Exchange on February 20, 1889, about one year and a half before the passage of the McKinley bill. The dealings were enormous all through the year 1890, and the fluctuations were very great. The McKinley bill was in the House of Representatives from January until April. Passing the House of Representatives in April, 1890, it came into the Senate Finance Committee, and was in the Senate Finance Committee until May of that year. The value on the market of the sugar-trust certificates in January was 50 cents on the dollar.

During the month of January it fluctuated between 50 and 60, with as wide or wider fluctuations in each of the four following months. So that when the bill had passed the House of Representatives and had been favorably considered and settled in the Senate Finance Committee in May the sugar-trust certificates had advanced to 95, an advance of 45 points, or $22,500,000 computed on the capital of the sugar trust, or $33,750,000 if the other twenty-five millions which were added a few months afterwards as representing the Spreckels, Harrison, and Knight refineries are taken into account. During the fall of 1890 the Baring panic temporarily depressed sugar-trust certificates, as well as other securities in the New York Stock Exchange, but as soon as that had gone by the sugar-trust certificates went above par, and eventually, under the operations of the McKinley act, reached 134 or 135.

Senator ALLEN. Which would be how much of an advance?

Senator BRICE. Which would be an advance from January, 1890, when the McKinley bill was initiated, of 85 points, or $42,500,000 on the sugar-trust certificates, and an advance of $63,750,000 on the American Sugar Refining Company's stock, the company which succeeded the trust.

Senator ALLEN. Was that a greater advance than there has thus far been during the pendency of the present bill?

Senator BRICE. The fluctuations in that year were greater than they have been during the consideration of the present bill. I say they were greater. The dealings in 1890 amounted to over 8,000,000 shares, or $800,000,000.

Senator ALLEN. During that period you speak of?

Senator BRICE. During 1890; yes, on the New York stock exchange.

Senator ALLEN. Have you computed what the total number of shares dealt in on the New York stock exchange since the first of January. I mean sugar certificates?

Senator BRICE. It is easily accesible, but I do not recollect it. I have not computed it.

SWORN STATEMENT OF SENATOR WILLIAM E. CHANDLER.

Senator LODGE. Are you a Senator of the United States from the State of New Hampshire?

Senator CHANDLER. I am.

Senator LODGE. How long have you been such?

Senator CHANDLER. Since the year 1887.

Senator LODGE. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator CHANDLER. Constantly.

Senator LODGE. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator CHANDLER. Not to my recollection I believe I have not.

Senator LODGE. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks or certificates of the American Sugar Refining Company?

Senator CHANDLER. I have not.

Senator LODGE. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stocks or certificates?

Senator CHANDLER. I have not.

Senator LODGE. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator CHANDLER. No one has.

Senator LODGE. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator CHANDLER. No one was.

Senator LODGE. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator CHANDLER. No one has.

Senator LODGE. Have you, at any time, been connected with the American Sugar Refining Company, or have you, at any time, been in its employ as attorney, agent, or otherwise?

Senator CHANDLER. I have not.

SWORN STATEMENT OF SENATOR WILKINSON CALL.

Senator LODGE. Are you a Senator of the United States from the State of Florida?

Senator CALL. I am.

Senator LODGE. How long have you been such?

Senator CALL. I was elected to take my seat on the 4th of March, 1879.

Senator LODGE. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator CALL. I have.

Senator LODGE. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator CALL. Not that I am aware of.

Senator LODGE. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator CALL. I have not.

Senator LODGE. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stocks or certificates?

Senator CALL. I have not.

Senator LODGE. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator CALL. They have not.

Senator LODGE. Has any member of your family or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested, in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator CALL. Not to my knowledge.

Senator LODGE. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned.

Senator CALL. Not to my knowledge.

Senator LODGE. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator CALL. I have not.

SWORN STATEMENT OF SENATOR JOSEPH M. CAREY.

Senator LODGE. Are you a Senator of the United States from the State of Wyoming?

Senator CAREY. I am.

Senator LODGE. How long have you been such?

Senator CAREY. I was sworn in December, 1890.

Senator LODGE. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator CAREY. I have.

Senator LODGE. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator CAREY. I have not.

Senator LODGE. Have you bought or sold, directly or indirectly,

since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator CAREY. I have not.

Senator LODGE. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stocks or certificates?

Senator CAREY. I have not.

Senator LODGE. Has any one bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator CAREY. No.

Senator LODGE. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested, in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator CAREY. He or they have not.

Senator LODGE. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator CAREY. Not that I am aware of.

Senator LODGE. Have you, at any time, been connected with the American Sugar Refining Company, or have you, at any time, been in its employ as attorney, agent, or otherwise?

Senator CAREY. I have not.

SWORN STATEMENT OF SENATOR SHELBY M. CULLOM.

Senator LODGE. Are you a Senator of the United States from the State of Illinois?

Senator CULLOM. I am.

Senator LODGE. How long have you been such?

Senator CULLOM. Since 4th of March, 1883.

Senator LODGE. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator CULLOM. All the time except about three weeks.

Senator LODGE. Have you given any information, directly or indirectly, to any one interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator CULLOM. Not a word.

Senator LODGE. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator CULLOM. Not a penny's worth of any kind of stock.

Senator LODGE. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator CULLOM. Not directly or indirectly in any possible way.

Senator LODGE. Has anyone bought or sold for your account, or in

your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator CULLOM. Not a cent that I am aware of.

Senator LODGE. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions, in any transactions in sugar stocks or certificates during the period mentioned?

Senator CULLOM. Not that I am aware of; if he had been I would have discharged him.

Senator LODGE. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator CULLOM. Not a penny's worth.

Senator LODGE. Have you, at any time, been connected with the American Sugar Refining Company, or have you, at any time, been in its employ as attorney, agent, or otherwise?

Senator CULLOM. Never.

SWORN STATEMENT OF SENATOR RICHARD COKE. (Recalled.)

The CHAIRMAN. Are you a Senator of the United States from the State of Texas?

Senator COKE. I am.

The CHAIRMAN. How long have you been such?

Senator COKE. I have been such since 4th of March, 1877.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator COKE. All the time.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator COKE. I have not.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stocks or certificates of the American Sugar Refining Company?

Senator COKE. None at all; never owned a dollar's worth of stock of any kind in my life.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stocks or certificates?

Senator COKE. I have not.

The CHAIRMAN. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator COKE. No, sir; nothing of that sort; if any money has been placed to my credit I have not heard of it.

The CHAIRMAN. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator COKE. No; nobody.

The CHAIRMAN. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator COKE. No, to all. I have never held any such certificates, and never held one in my life.

The CHAIRMAN. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator COKE. No, sir; I have not. I want to make the negative to all these questions just as broad as can be made.

SWORN STATEMENT OF SENATOR FRANCIS M. COCKRELL.

Senator LODGE. Are you a Senator of the United States from the State of Missouri?

Senator COCKRELL. I am.

Senator LODGE. How long have you been such?

Senator COCKRELL. Since the 4th of March, 1875.

Senator LODGE. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator COCKRELL. I have.

Senator LODGE. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator COCKRELL. I have given no information of any kind whatever.

Senator LODGE. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator COCKRELL. Not a solitary cent's worth of that kind of stock or any other kind of stock.

Senator LODGE. Have you been concerned with any one in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stocks or certificates?

Senator COCKRELL. No; no one directly or indirectly.

Senator LODGE. Has any one bought or sold for your account or in your interest any such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator COCKRELL. No one in any manner, shape, or form.

Senator LODGE. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator COCKRELL. No one has been.

Senator LODGE. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator COCKRELL. None whatever.

Senator LODGE. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator COCKRELL. I have not been, and do not know a solitary individual who is connected with it.

SWORN STATEMENT OF SENATOR JOSEPH N. DOLPH.

Senator LODGE. Are you a Senator of the United States from the State of Oregon?

Senator DOLPH. I am.

Senator LODGE. How long have you been such?

Senator DOLPH. My term commenced the 4th of March, 1883.

Senator LODGE. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator DOLPH. I have.

Senator LODGE. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator DOLPH. I have not.

Senator LODGE. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator DOLPH. I have not, either during the present Congress or ever purchased, owned, or sold any such stock.

Senator LODGE. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stock or certificates?

Senator DOLPH. I have not.

Senator LODGE. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator DOLPH. No.

Seantor LODGE. Has any member of your family or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested, in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator DOLPH. No, and never.

Senator LODGE. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned? or have you, at any time, been in its employ as attorney, agent, or otherwise?

Senator DOLPH. No, and never.

Senator LODGE. Have you, at any time, been connected with the American Sugar Refining Company?

Senator DOLPH. No, and never.

SWORN STATEMENT OF SENATOR JAMES McMILLAN.

Senator LODGE. Are you a Senator of the United States from the State of Michigan?

Senator McMILLAN. I am.

Senator LODGE. How long have you been such?

Senator McMILLAN. Between five and six years.

Senator LODGE. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator McMILLAN. I have.

Senator LODGE. Have you given any information, directly or indirectly, to any one interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator McMILLAN. I have not.

Senator LODGE. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator McMILLAN. I have not.

Senator LODGE. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator McMILLAN. I have not.

Senator LODGE. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator McMILLAN. They have not.

Senator LODGE. Has any member of your family or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested, in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator McMILLAN. They have not.

Senator LODGE. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator McMILLAN. They have not.

Senator LODGE. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator McMILLAN. I have not.

SWORN STATEMENT OF SENATOR NEWTON C. BLANCHARD.

Senator LINDSAY. Are you a Senator of the United States from the State of Louisiana?

Senator BLANCHARD. I have been since the 12th of last March and my testimony will cover the period I have been in the Senate.

Senator LINDSAY. Have you been in attendance at the present

session of Congress during the pendency of the tariff bill in the Senate?

Senator BLANCHARD. I have.

Senator LINDSAY. Have you given any information, directly or indirectly, to any one interested in sugar stocks, so-called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator BLANCHARD. No, sir.

Senator LINDSAY. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator BLANCHARD. I have not.

Senator LINDSAY. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator BLANCHARD. I have not.

Senator LINDSAY. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator BLANCHARD. No, sir.

Senator LINDSAY. Has any member of your family, or any other person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions, in any transaction in sugar stock or certificates during the period mentioned?

Senator BLANCHARD. They have not.

Senator LINDSAY. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator BLANCHARD. They have not.

Senator LINDSAY. Have you, at any time, been connected with the American Sugar Refining Company, or have you, at any time, been in its employ as attorney, agent, or otherwise?

Senator BLANCHARD. I have not.

SWORN STATEMENT OF SENATOR JOHN W. DANIEL.

Senator LINDSAY. Are you a Senator of the United States from the State of Virginia?

Senator DANIEL. Yes.

Senator LINDSAY. How long have you been such?

Senator DANIEL. I was elected a Senator by the legislature of Virginia in 1885, taking my seat on the 4th of March, 1887, and was reelected for the term commencing March 4, 1893.

Senator LINDSAY. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator DANIEL. I have.

Senator LINDSAY. Have you given any information, directly or indirectly, to any one interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator DANIEL. I have not had any information on the subject

except such as was open and accessible to all men. I do not know any member or representative or person in any way connected with the company mentioned, and I have given no information to any one on the subject.

Senator LINDSAY. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator DANIEL. I have not, nor any other stock.

Senator LINDSAY. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stocks or certificates?

Senator DANIEL. I have not.

Senator LINDSAY. Has anyone bought or sold for your account, or in your interest, any of such books, or speculated in any such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator DANIEL. They certainly have not.

Senator LINDSAY. Has any member of your family or any person in your employ or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested, in any of the ways indicated, in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator DANIEL. They have not.

Senator LINDSAY. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator DANIEL. No, sir.

Senator LINDSAY. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator DANIEL. I have not.

SWORN STATEMENT OF SENATOR WILLIAM P. FRYE.

Senator LINDSAY. Are you a Senator of the United States from the State of Maine?

Senator FRYE. Yes.

Senator LINDSAY. How long have you been such.

Senator FRYE. Thirteen years.

Senator LINDSAY. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator FRYE. All the time.

Senator LINDSAY. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator FRYE. No, sir.

Senator LINDSAY. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator FRYE. No, sir.

Senator LINDSAY. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stocks or certificates?

Senator FRYE. No, sir.

Senator LINDSAY. Has any one bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator FRYE. No, sir.

Senator LINDSAY. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator FRYE. No, sir.

Senator LINDSAY. Have you, or has any member of your family or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator FRYE. No, sir.

Senator LINDSAY. Have you, at any time, been connected with the American Sugar Refining Company, or have you, at any time, been in its employ as attorney, agent, or otherwise?

Senator FRYE. No, sir.

SWORN STATEMENT OF SENATOR CHARLES J. FAULKNER.

Senator LINDSAY. Are you a Senator of the United States from the State of West Virginia?

Senator FAULKNER. I am.

Senator LINDSAY. How long have you been such?

Senator FAULKNER. Since May, 1887.

Senator LINDSAY. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator FAULKNER. I have.

Senator LINDSAY. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator FAULKNER. None whatever.

Senator LINDSAY. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator FAULKNER. I have not, and would not know how to do it if I wanted to.

Senator LINDSAY. Have you been concerned with any one in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stocks or certificates?

Senator FAULKNER. I have not.

Senator LINDSAY. Has any one bought or sold for your account or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to

your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator FAULKNER. They have not.

Senator LINDSAY. Has any member of your family or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested, in any of the ways indicated in any of the preceding questions, in any transactions in sugar stocks or certificates during the period mentioned?

Senator FAULKNER. They have not.

Senator LINDSAY. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator FAULKNER. Not to my knowledge; none.

Senator LINDSAY. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator FAULKNER. Never.

SWORN STATEMENT OF SENATOR JACOB H. GALLINGER.

Senator LINDSAY. Are you a Senator of the United States from the State of New Hampshire?

Senator GALLINGER. I am.

Senator LINDSAY. How long have you been such?

Senator GALLINGER. Since the 4th day of March, 1891.

Senator LINDSAY. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator GALLINGER. Almost every day, sir.

Senator LINDSAY. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator GALLINGER. I have not.

Senator LINDSAY. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator GALLINGER. I have not.

Senator LINDSAY. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation whether by purchase or sale of said stocks or certificates?

Senator GALLINGER. I have not.

Senator LINDSAY. Has any one bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator GALLINGER. No.

Senator LINDSAY. Has any member of your family or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested, in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator GALLINGER. No.

Senator LINDSAY. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator GALLINGER. No.

Senator LINDSAY. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator GALLINGER. I have not.

SWORN STATEMENT OF SENATOR FRED. T. DUBOIS.

Senator LINDSAY. Are you a Senator of the United States from the State of Idaho?

Senator DUBOIS. Yes, sir.

Senator LINDSAY. How long have you been such?

Senator DUBOIS. Since the 4th of March, 1890.

Senator LINDSAY. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator DUBOIS. I have.

Senator LINDSAY. Have you given any information, directly or indirectly, to any one interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator DUBOIS. No.

Senator LINDSAY. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator DUBOIS. I have not.

Senator LINDSAY. Have you been concerned with any one in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stocks or certificates?

Senator DUBOIS. No, sir.

Senator LINDSAY. Has any one bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in any of the profits of any operation in such stock, or placed any money to your credit as the proceeds of the purchase or sale of such stock, or promised or agreed to place such money to your credit?

Senator DUBOIS. They have not.

Senator LINDSAY. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested, in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator DUBOIS. They have not been interested; no one connected with me.

Senator LINDSAY. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator DUBOIS. I have not; I never have had any connection with them in any way.

SWORN STATEMENT OF SENATOR JAMES Z. GEORGE.

Senator LINDSAY. Are you a Senator of the United States from the State of Mississippi?

Senator GEORGE. I am.

Senator LINDSAY. How long have you been such?

Senator GEORGE. A little over thirteen years.

Senator LINDSAY. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator GEORGE. Very generally; I think every day.

Senator LINDSAY. Have you given any information, directly or indirectly, to any one interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator GEORGE. I did not have information to give, and knew nothing except what was public to everybody, and made no communication to anybody with reference to affecting their conduct in relation to the sugar trust.

SENATOR LINDSAY. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator GEORGE. Not a bit of it; not one cent.

Senator LINDSAY. Have you been concerned with any one in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator GEORGE. I have not.

Senator LINDSAY. Has any one bought or sold for your account, or in your interest, any of such stock, or speculated in any of such stock on your account, or given you to understand that you would share in the profits of any operation in such stock, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator GEORGE. Well, now, so far as that relates to any matter of which I may have personal knowledge, I answer, no. What people may have done without my knowledge and consent I do not know, but I do not believe anything of that sort has been done.

Senator LINDSAY. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions in any transaction in sugar stock or certificates during the period mentioned?

Senator GEORGE. No.

Senator LINDSAY. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator GEORGE. Not so far as I know or believe.

Senator LINDSAY. Have you at anytime been connected with the American Sugar Refining Company, or have you at anytime been in its employ as attorney, agent, or otherwise?

Senator GEORGE. Never.

SWORN STATEMENT OF SENATOR CHARLES H. GIBSON.

Senator LINDSAY. Are you a Senator of the United States from the State of Maryland?

Senator GIBSON. I am.

Senator LINDSAY. How long have you been such?

Senator GIBSON. Since December, 1891.

Senator LINDSAY. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator GIBSON. I have.

Senator LINDSAY. Have you given any information, directly or indirectly, to any one interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator GIBSON. None whatever.

Senator LINDSAY. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator GIBSON. I have not.

Senator LINDSAY. Have you been concerned with any one in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stock or certificates?

Senator GIBSON. I have not.

Senator LINDSAY. Has anyone bought or sold for your account, or in your interest, any of such stock, or speculated in any of such stock on your account, or given you to understand that you would share in the profits of any operation in such stock, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator GIBSON. None, whatever.

Senator LINDSAY. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator GIBSON. None, sir, that I know of.

Senator LINDSAY. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator GIBSON. None, sir.

Senator LINDSAY. Have you, at any time, been connected with the American Sugar Refining Company, or have you, at any time, been in its employ as attorney, agent, or otherwise?

Senator GIBSON. I have not.

SWORN STATEMENT OF SENATOR ISHAM G. HARRIS. (Recalled.)

Senator LINDSAY. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator HARRIS. Almost the entire time.

Senator LINDSAY. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator HARRIS. Never.

Senator LINDSAY. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator HARRIS. I have not during the present Congress or at any other time.

Senator LINDSAY. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator HARRIS. I have not.

Senator LINDSAY. Has any one bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stock, or promised or agreed to place such money to your credit?

Senator HARRIS. They have not.

Senator LINDSAY. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator HARRIS. None.

Senator LINDSAY. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator HARRIS. Never.

Senator LINDSAY. Have you, at any time, been connected with the American Sugar Refining Company, or have you, at any time, been in its employ as attorney, agent, or otherwise?

Senator HARRIS. Never.

SWORN STATEMENT OF SENATOR GEORGE F. HOAR.

Senator LODGE. Are you a Senator of the United States from the State of Massachusetts?

Senator HOAR. I am.

Senator LODGE. How long have you been such?

Senator HOAR. I took my seat here on the 4th day of March, 1887.

Senator LODGE. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator HOAR. I have.

Senator LODGE. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator HOAR. I have not, nor any other information to such person.

Senator LODGE. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator HOAR. I have not, nor any other stock whatever.

Senator LODGE. Have you been concerned with anyone in interest,

direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator HOAR. I have not, nor indeed in any other operation whatever.

Senator LODGE. Has any one bought or sold for your account, or in your interest, any of such stock, or speculated in any of such stock on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stock, or promised or agreed to place such money to your credit?

Senator HOAR. No, sir. No person has done anything of that kind.

Senator LODGE. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested, in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator HOAR. No such person has been so interested.

Senator LODGE. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator HOAR. I am quite sure no such person has held any such stock.

Senator LODGE. Have you at any time been connected with the American Sugar Refining Company, or have you, at any time, been in its employ as attorney, agent, or otherwise?

Senator HOAR. Never.

SWORN STATEMENT OF SENATOR EUGENE HALE.

Senator LODGE. Are you a Senator of the United States from the State of New Hampshire?

Senator HALE. Yes.

Senator LODGE. How long have you been such?

Senator HALE. Thirteen years.

Senator LODGE. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator HALE. I have.

Senator LODGE. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator HALE. I have given no information, for I have had no information to give.

Senator LODGE. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator HALE. I never bought any of that or any other kind of stock in my life, that I know of.

Senator LODGE. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation whether by purchase or sale of said stocks or certificates?

Senator HALE. Never.

Senator LODGE. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on

your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator HALE. No.

Senator LODGE. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested, in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator HALE. No.

Senator LODGE. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator HALE. No.

Senator LODGE. Have you, at any time, been connected with the American Sugar Refining Company, or have you, at any time, been in its employ as attorney, agent, or otherwise?

Senator HALE. No, sir; I do not know the least thing about it.

SWORN STATEMENT OF SENATOR HENRY C. HANSBROUGH.

Senator LODGE. Are you a Senator of the United States from the State of North Dakota?

Senator HANSBROUGH. I am.

Senator LODGE. How long have you been such?

Senator HANSBROUGH. Since March, 1891.

Senator LODGE. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator HANSBROUGH. I have.

Senator LODGE. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator HANSBROUGH. I have not.

Senator LODGE. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stocks or certificates of the American Sugar Refining Company?

Senator HANSBROUGH. I have not.

Senator LODGE. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stock or certificates?

Senator HANSBROUGH. I have not.

Senator LODGE. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stock, or placed any money to your credit as the proceeds of the purchase or sale of such stock, or promised or agreed to place such money to your credit?

Senator HANSBROUGH. No one.

Senator LODGE. Has any member of your family or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested, in any of

the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator HANSBROUGH. None to my knowledge.

Senator LODGE. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining company, during the period heretofore mentioned!

Senator HANSBROUGH. I have not, and they have not.

Senator LODGE. Have you, at any time, been connected with the American Sugar Refining Company, or have you, at any time, been in its employ as attorney, agent, or otherwise?

Senator HANSBROUGH. I have not.

SWORN STATEMENT OF SENATOR JOSEPH R. HAWLEY.

Senator LODGE. Are you a Senator of the United States from the State of Connecticut?

Senator HAWLEY. I am.

Senator LODGE. How long have you been such?

Senator HAWLEY. Thirteen years last March, I think.

Senator LODGE. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator HAWLEY. I have missed but two or three days.

Senator LODGE. Have you given any information, directly or indirectly, to any one interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator HAWLEY. I have not given them any. I never had any until it appeared in the newspapers.

Senator LODGE. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator HAWLEY. No.

Senator LODGE. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stocks or certificates?

Senator HAWLEY. No.

Senator LODGE. Has anyone bought or sold for your account or in your interest any of such stock, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stock, or promised or agreed to place such money to your credit?

Senator HAWLEY. No.

Senator LODGE. Has any member of your family or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested, in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator HAWLEY. No.

Senator LODGE. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator HAWLEY. No.

Senator LODGE. Have you, at any time, been connected with the American Sugar Refining Company, or have you, at any time, been in its employ as attorney, agent, or otherwise?

Senator HAWLEY. No.

SWORN STATEMENT OF SENATOR ANTHONY HIGGINS.

Senator LODGE. Are you a Senator of the United States from the State of Delaware?

Senator HIGGINS. I am.

Senator LODGE. How long have you been such?

Senator HIGGINS. Since the 4th of March, 189 .

Senator LODGE. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator HIGGINS. I have.

Senator LODGE. Have you given any information, directly or indirectly, to any one interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator HIGGINS. None whatever.

Senator LODGE. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator HIGGINS. I have not.

Senator LODGE. Have you been concerned with any one in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stocks or certificates?

Senator HIGGINS. I have not.

Senator LODGE. Has anyone bought or sold for your account, or in your interest, any of such stock, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stock, or promised or agreed to place such money to your credit?

Senator HIGGINS. No one has.

Senator LODGE. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions, in any transaction in sugar stock or certificates during the period mentioned?

Senator HIGGINS. None; certainly not to my knowledge.

Senator LODGE. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator HIGGINS. None.

Senator LODGE. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator HIGGINS. I have not.

SWORN STATEMENT OF SENATOR DAVID BENNET HILL.

Senator LODGE. Are you a Senator of the United States from the State of New York?

Senator HILL. I am.

Senator LODGE. How long have you been such?

Senator HILL. My term began in March, 1891. I was not sworn in until January, 1892.

Senator LODGE. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator HILL. During the greater portion of the time I have.

Senator LODGE. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to effect its value?

Senator HILL. No.

Senator LODGE. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator HILL. No.

Senator LODGE. Have you been concerned with any one in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator HILL. No.

Senator LODGE. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks, on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator HILL. No.

Senator LODGE. Has any member of your family or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested, in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator HILL. No.

Senator LODGE. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator HILL. No.

Senator LODGE. Have you, at any time, been connected with the American Sugar Refining Company, or have you, at any time, been in its employ, as attorney, agent, or otherwise?

Senator HILL. No.

Senator LODGE. Senator Caffery, being asked if he had ever had a conference with Mr. Havemeyer, stated in his testimony before this committee that he had met him at Senator Brice's house, and he was then asked who were there and he said:

> My then colleague, Senator White, who perhaps—well he was there. I think Senator Hill was there. I do not remember whether Gorman was there or not, but I think he was.

Do you recollect that occasion?

Senator HILL. I recall two occasions when I was at Senator Brice's

house, when, I think, Senator Caffery was there. I do not recall any occasions I was ever at Senator Brice's house when Mr. Havemeyer was there.

Senator LODGE. You did not see Mr. Havemeyer at Senator Brice's on either occasion?

Senator HILL. I have no recollection of ever seeing Mr. Havemeyer at Mr. Brice's house.

Senator LODGE. Did Senator Caffery speak of seeing him on either of the occasions you were there?

Senator HILL. No, sir.

Senator LODGE. What was the subject of discussion at those meetings?

Senator HILL. Discussion of the tariff.

Senator LODGE. Was the sugar schedule discussed?

Senator HILL. The sugar schedule was discussed, principally by Senators Caffery and White. They did most of the talking. I did the listening, in the main.

Senator LODGE. Did you see Mr. Havemeyer at any other time?

Senator HILL. Mr. Havemeyer called on me twice at my rooms at the Normandie Hotel, in this city.

Senator LODGE. What did he say in substance in regard to the question of the sugar schedule on those occasions?

Senator HILL. In substance he said he feared that the sugar industry was not going to be fairly treated. He urged reasons why there should be a duty upon sugar.

Senator LODGE. Specific or ad valorem?

Senator HILL. I don't think he specified. The interviews were very short, and he did most of the talking and I did the listening.

Senator LODGE. Did he urge upon you to take an interest in the sugar schedule?

Senator HILL. Not specially.

The CHAIRMAN. As a Senator from his State in which refineries were located, did he seek to interest you?

Senator HILL. I think he submitted it to my judgment as to what I ought to do, but urged that the sugar interest should have protection.

The CHAIRMAN. He is from your State, is he not?

Senator HILL. Yes, he lives in Long Island City.

The CHAIRMAN. His interests are to some extent located there?

Senator HILL. I think so; I do not know where the headquarters of the sugar trust are.

Senator LODGE. Mr. Havemeyer stated in his testimony that he called upon you twice, and

Mr. HAVEMEYER. I went over the same subject with him, in substance, without my samples, and wanted him to take some active interest in securing some protection for the American sugar-refining industry, and likewise in the event of it being determined to assess a duty on raw sugar, that it should be assessed under the ad valorem system.

The CHAIRMAN. Did you use any other arguments or appeals to Senator Hill than those you have given in substance?

Mr. HAVEMEYER. Except that the industry was employing a large number of men in his own State, and that he ought to take some interest in it.

The CHAIRMAN. Did you remind him of any indebtedness of the Democratic party to the sugar trust or industry, or to the individuals connected with it?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. In what you have stated, did you mean to state the subjects of conversation at both interviews, or were you confining yourself to one, the first?

Mr. HAVEMEYER. Only the first interview.

The CHAIRMAN. What occurred at the second, when was it, and how long after the first?

Mr. HAVEMEYER. After the Senate Finance Committee had reported the bill providing for specific duties. I explained to him the discrimination in it, and wanted him to take some active interest to have it remedied.

The CHAIRMAN. What discrimination?

Mr. HAVEMEYER. The discrimination incident to assessing duty under specific rates, a discrimination of from 25 to 30 per cent on the different low grades of sugar.

The CHAIRMAN. Did you use any other argument than statements and explanations of that kind on that second visit?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. Did he agree to take some interest in it?

Mr. HAVEMEYER. No, sir.

The CHAIRMAN. Did he decline to take any interest in it?

Mr. HAVEMEYER. No, sir. I can tell you what he said, if it would be of any interest.

The CHAIRMAN. That would be a good way to get at it.

Mr. HAVEMEYER. He said he was dominated by other interests at the moment. I think at the first interview he had the Peckham matter in hand, and on the second interview he had the income tax on the brain. I felt that a New York Senator ought to be big enough, besides these side interests, to have the interests of his state in charge; and my visit was with the intention to have him take an active interest in an industry which was imperiled by Congressional action.

The CHAIRMAN. Both of these visits were visits that you voluntarily made to him and which he did not seek from you?

Mr. HAVEMEYER. Precisely.

The CHAIRMAN. He is a Senator from your State?

Mr. HAVEMEYER. Yes, sir.

Senator HILL. Mr. Havemeyer would probably recollect the details of the conversation better then I would, because he had the subject of sugar on hand and I had divers other things on hand. I think I did suggest that I was giving some attention to the income-tax matter then, another provision of the tariff bill. He endeavored to impress upon me the importance of the sugar industry, and that it ought to be fairly treated. He said nothing improper or that could not have been addressed to me in the open Senate as well as at my rooms.

Senator LODGE. Did you see any of the other officers or representatives of the sugar trust?

Senator HILL. No; I do not know who the officers of the sugar trust are.

Senator LODGE. Mr. John E. Searles——

Senator HILL. I was standing in the hall here in the corridors of the Capitol once, and somebody introduced me to Mr. Searles. I said "How do you do," spoke to him for a moment and passed on.

Senator LODGE. Mr. Theodore Havemeyer?

Senator HILL. I met one of the Havemeyers years ago, in Mr. Tilden's lifetime, but I cannot tell which one it was. I do not think I would know Mr. Theodore Havemeyer if I met him.

Senator LODGE. So far as you know, Mr. Henry Havemeyer is the only person connected with the trust whom you have seen during the present consideration of the bill?

Senator HILL. I met Mr. Reed, of Boston. I was introduced to him years ago by Patrick A. Collins, of Boston. I shook hands with Mr. Reed once or twice in the marble room of the Capitol, but have never had any talk with him in regard to the sugar question.

Senator LODGE. Or anyone else in regard to it except Mr. Henry Havemeyer?

Senator HILL. No, sir.

Senator LODGE. And his testimony which I have read to you is a substantial account of those interviews?

Senator HILL. Substantially correct. He would recollect the details more than I would, because at that time I was being deluged with various arguments from the various interests in the State of New York.

Senator LINDSAY. Was Mr. Havemeyer more importunate or less so than the representatives of other interests affected by the tariff?

Senator HILL. Just about the same.

Senator LODGE. The interview at Senator Brice's house had no connection with Mr. Havemeyer, so far as you were concerned?

Senator HILL. None at all.

Senator LODGE. You were not aware that he was sent for or had been in the house?

Senator HILL. No, sir.

Senator LODGE. And the conversation on that occasion was simply a general discussion of the tariff bill?

Senator HILL. Of the tariff bill.

The CHAIRMAN. Who were present on that occasion at Mr. Brice's house?

Senator HILL. Senator Brice, Senator Gorman, Senator White, Senator Caffery, Senator Murphy. I think that is all.

Senator LODGE. Was any agreement reached on that occasion in regard to the sugar schedule? I mean the attitude of those present.

Senator HILL. No, sir.

Senator LODGE. Simply discussed?

Senator HILL. I was very much wearied with the discussion.

Senator LODGE. It was simply discussed and left there?

Senator HILL. The difference between ad valorem and specific duties was gone over by the Louisiana Senators, and the interests of Louisiana were presented and urged; incidentally other things pertaining to the tariff bill, as Senators might converse together in a committee room, or upon any other subject requiring legislation.

Senator LODGE. Did you notice that Senator Caffery left the room?

Senator HILL. I do not recall such instance.

Senator LODGE. You do not recall his returning to the room and stating that he had had an interview with Mr. Havemeyer?

Senator HILL. I do not remember it.

SWORN STATEMENT OF SENATOR EPPA HUNTON—Recalled.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator HUNTON. Yes, sir.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator HUNTON. None whatever.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator HUNTON. I have not and never did.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator HUNTON. None whatever.

The CHAIRMAN. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks, on your account, or given you to understand that you would share in

the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator HUNTON. No, sir.

The CHAIRMAN. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator HUNTON. No, sir.

The CHAIRMAN. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator HUNTON. No, sir.

The CHAIRMAN. Have you, at any time, been connected with the American Sugar Refining Company, or have you, at any time, been in its employ as attorney, agent, or otherwise?

Senator HUNTON. No, sir.

SWORN STATEMENT OF SENATOR DONELSON CAFFERY—Recalled.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator CAFFERY. I have.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator CAFFERY. No.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stocks, or stock or certificates of the American Sugar Refining Company?

Senator CAFFERY. I have not.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation whether by purchase or sale of said stocks or certificates?

Senator CAFFERY. No.

The CHAIRMAN. Has any one bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator CAFFERY. No.

The CHAIRMAN. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator CAFFERY. No.

The CHAIRMAN. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator CAFFERY. Not to my knowledge.

The CHAIRMAN. Have you at any time been connected with the

American Sugar Refining Company, or have you, at any time, been in its employ as attorney, agent, or otherwise?

Senator CAFFERY. I never have.

Senator LODGE. When you were at Senator Brice's that night, after you returned from the interview with Mr. Havemeyer, were the Senators all there whom you had been with earlier in the evening?

Senator CAFFERY. I think some one or two had left, but I am not positive on that.

Senator LODGE. Did you tell them about your interview with Mr. Havemeyer and the arguments he presented to you?

Senator CAFFERY. My impression is now—it is merely impression, a pretty strong one—that when I came from Brice's library, where I had an interview with Havemeyer, there was nobody there but Brice and White. I think the others had left. That is my recollection. I am not positive about that. I think the others left then or shortly afterward, and I think some of them had left, but I can not be certain.

Senator LODGE. Do you remember whether Senator Hill was still there?

Senator CAFFERY. My impression is that Hill had left when I came back.

WASHINGTON, D. C., *June 16, 1894.*

The committee met pursuant to adjournment.

Present: The Chairman (Senator Gray) and Senators Lindsay, Lodge, Davis, and Allen.

SWORN STATEMENT OF SENATOR JAMES H. KYLE—Recalled.

Senator LINDSAY. Are you a Senator of the United States from the State of South Dakota?

Senator KYLE. Yes, sir.

Senator LINDSAY. How long have you been such?

Senator KYLE. Since the 3d of March, 1891. My term expires March 3, 1897.

Senator LINDSAY. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator KYLE. I have.

Senator LINDSAY. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator KYLE. No, sir.

Senator LINDSAY. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates, of the American Sugar Refining Company?

Senator KYLE. No, sir.

Senator LINDSAY. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator KYLE. No, sir.

Senator LINDSAY. Has anyone bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks

on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator KYLE. No, sir.

Senator LINDSAY. Has any member of your family or any person in your employ, or any clerk employed under the laws of the United States in your service been, to your knowledge, interested in any of the ways indicated in any of the preceding questions in any transaction in sugar stocks or certificates during the period mentioned?

Senator KYLE. No, sir.

Senator LINDSAY. Have you or has any member of your family, or any such clerk owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator KYLE. No, sir.

Senator LINDSAY. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator KYLE. No, sir.

SWORN STATEMENT OF SENATOR ANSLEM J. McLAURIN.

The CHAIRMAN. Are you a Senator of the United States from the State of Mississippi?

Senator McLAURIN. Yes, sir.

The CHAIRMAN. How long have you been such?

Senator McLAURIN. Since the 15th of February, 1894.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator McLAURIN. I have nearly all the time. I was absent at home about eight or ten days during the month of April.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator McLAURIN. I have not. Some two or three weeks ago a Mr. Oxnard, who told me he was a citizen of Nebraska, asked me if he could get enough votes from our side of the Chamber—I understood him to mean from the Democratic side—to put a bounty of 1 cent a pound on sugar, and I replied to him that he could not. That is about the only information I gave to anybody.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator McLAURIN. I did not, since the beginning of this Congress nor at any other time. I never bought a particle of sugar stock, or stock of any other kind, in my life.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator McLAURIN. I have not.

The CHAIRMAN. Has anyone bought or sold for your account, or in your interest, any such stocks, or speculated in any such stocks on your account, or given you to understand that you would share in the profits

of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator McLAURIN. No, sir; no one.

The CHAIRMAN. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions in any transaction in sugar stocks or certificates during the period mentioned?

Senator McLAURIN. None whatever.

The CHAIRMAN. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator McLAURIN. No, sir.

The CHAIRMAN. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator McLAURIN. I have not.

SWORN STATEMENT OF SENATOR ROGER Q. MILLS.—Recalled.

The CHAIRMAN. Are you a Senator of the United States from the State of Texas?

Senator MILLS. I am.

The CHAIRMAN. How long have you been such?

Senator MILLS. Since the 4th of March, 1892.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator MILLS. I have.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator MILLS. I have not.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator MILLS. I have not; nor at any other time.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator MILLS. I have not.

The CHAIRMAN. Has anyone bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator MILLS. No, sir.

The CHAIRMAN. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions in any transaction in sugar stocks or certificates during the period mentioned?

Senator MILLS. No.

The CHAIRMAN. Have you or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator MILLS. No.

The CHAIRMAN. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator MILLS. No.

SWORN TESTIMONY OF HENRY T. OXNARD.

Senator ALLEN. Where do you reside?

Mr. OXNARD. Grand Island, Nebr.

Senator ALLEN. What is your occupation?

Mr. OXNARD. Beet-sugar manufacturer and producer.

Senator ALLEN. You may state if you are at the head of the beet-sugar industry in this country.

Mr. OXNARD. I think I am. I am president of the American Beet Sugar Association.

Senator ALLEN. The other day Mr. Henry G. Havemeyer spoke about the Oxnard Refining Factory and all of them being in the sugar trust. You may state if you, in conjunction with others, formerly owned the Oxnard factory?

Mr. OXNARD. In Brooklyn, N. Y., in connection with my brothers and other partners, we did. It was a small refinery. At the time of the formation of the trust we put it into the trust and sold the certificates of that trust as soon as we could afterwards and put the money in the beet-sugar business.

Senator ALLEN. When did you establish that factory—the Oxnard factory?

Mr. OXNARD. We were there in 1875.

Senator ALLEN. When did you sell it?

Mr. OXNARD. In 1887.

Senator ALLEN. You sold to the American Sugar Refining Company?

Mr. OXNARD. It was called the Sugar Refineries Company at that time.

Senator ALLEN. Did you make an absolute sale to them?

Mr. OXNARD. Yes, sir.

Senator ALLEN. Were you ever a member of the trust?

Mr. OXNARD. Never.

The CHAIRMAN. How were you paid?

Mr. OXNARD. In stock of the company.

Senator ALLEN. What did you do with the stock of the company?

Mr. OXNARD. Sold the stock.

Senator ALLEN. When?

Mr. OXNARD. Some of it within six months afterwards, and the balance of it a little later; perhaps a year later.

Senator ALLEN. How long has it been since you owned or had any interest in the stock of that company?

Mr. OXNARD. Not since I have been in the beet-sugar business; not since 1890.

Senator ALLEN. So that from 1890 until now you have had no interest, directly or indirectly, in the American Sugar Refining Company?

Mr. OXNARD. No, sir; none whatever.

Senator ALLEN. And are not a member of the trust?

Mr. OXNARD. No, sir; not at all. I am a competitor of theirs.

Senator ALLEN. Have you any interest, or have you had any interest since 1887, in what is known as the Oxnard Refining Company, of Brooklyn, N. Y.?

Mr. OXNARD. No, sir.

Senator ALLEN. State, if you know, whether that factory has been dismantled.

Mr. OXNARD. I know there is nothing absolutely left of it.

SWORN STATEMENT OF SENATOR CHARLES F. MANDERSON.

The CHAIRMAN. Are you a Senator of the United States from the State of Nebraska?

Senator MANDERSON. I am.

The CHAIRMAN. How long have you been such?

Senator MANDERSON. Nearly twelve years.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator MANDERSON. I have.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator MANDERSON. I have not.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator MANDERSON. I have not.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator MANDERSON. I have not.

The CHAIRMAN. Has anyone bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks on your account or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator MANDERSON. No, sir; no one.

The CHAIRMAN. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service been, to your knowledge, interested in any of the ways indicated in any of the preceding questions in any transaction in sugar stocks or certificates during the period mentioned?

Senatar MANDERSON. No.

The CHAIRMAN. Have you, or has any member of your family, or any such clerk owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator MANDERSON. No.

The CHAIRMAN. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator MANDERSON. No.

SWORN STATEMENT OF SENATOR JOHN L. MITCHELL.

The CHAIRMAN. Are you a Senator of the United States from the State of Wisconsin?

Senator MITCHELL. I am.

The CHAIRMAN. How long have you been such?

Senator MITCHELL. A year ago the 4th of March last.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator MITCHELL. I have.

The CHAIRMAN. Have you given any information, directly or indirectly, to any one interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator MITCHELL. I have not.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator MITCHELL. I have not.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stocks or certificates?

Senator MITCHELL. I have not.

The CHAIRMAN. Has anyone bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator MITCHELL. No, sir.

The CHAIRMAN. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service been, to your knowledge, interested in any of the ways indicated in any of the preceding questions in any transaction in sugar stocks or certificates during the period mentioned?

Senator MITCHELL. No, sir; I have not been interested in any such venture.

The CHAIRMAN. Have you, or has any member of your family, or any such clerk owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator MITCHELL. No, sir.

The CHAIRMAN. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator MITCHELL. No, sir.

SWORN STATEMENT OF EDWARD MURPHY, JR.

The CHAIRMAN. Are you a Senator of the United States from the State of New York?

Senator MURPHY. I am.

The CHAIRMAN. How long have you been such?

Senator MURPHY. Since March 4, 1893.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator MURPHY. Yes, sir.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so-called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator MURPHY. I have not.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator MURPHY. I have not.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator MURPHY. I have not.

The CHAIRMAN. Has anyone bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator MURPHY. No, sir.

The CHAIRMAN. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service been, to your knowledge, interested in any of the ways indicated in any of the preceding questions in any transaction in sugar stocks or certificates during the period mentioned?

Senator MURPHY. No, sir.

The CHAIRMAN. Have you, or has any member of your family or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator MURPHY. No, sir.

The CHAIRMAN. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator MURPHY. No, sir.

The CHAIRMAN. Do you know Henry O. Havemeyer?

Senator MURPHY. No, sir.

The CHAIRMAN. Were you ever present at any time or place where he was during this session of Congress?

Senator MURPHY. Never.

The CHAIRMAN. Do you recollect being present at Senator Brice's house one evening when he was sent for this spring?

Senator MURPHY. No, sir.

The CHAIRMAN Were you present at Senator Brice's house any evening or evenings when other Senators were there?

Senator MURPHY. One evening.

The CHAIRMAN. State who were there.

Senator MURPHY. Senator Gorman, Senator Gibson, Senator Brice, Senator White—I mean now, Judge White—Senator Caffery, Senator Hill, and myself.

The CHAIRMAN. Did you see Mr. Havemeyer that evening?

Senator MURPHY. No, sir.

The CHAIRMAN. Do you recollect Senator Caffery's going out of the room to have a talk with him?

Senator MURPHY. Not that evening.

The CHAIRMAN. You do not recollect that?

Senator MURPHY. No, sir; he did not. Mr. Havemeyer was not there that evening.

The CHAIRMAN. Do you recollect on that evening whether Mr. Havemeyer was said to be in the library or some other room when you were there?

Senator MURPHY. He was not there.

The CHAIRMAN. That was another evening?

Senator MURPHY. It may have been another evening. This was the only time I ever was at Senator Brice's house.

The CHAIRMAN. Were you there to talk about the sugar schedule?

Senator MURPHY. We were talking about the tariff bill generally; just about the same conversation that would take place in the cloak room down here.

The CHAIRMAN. What particular schedules were talked about?

Senator MURPHY. The Louisiana Senators were talking about sugar. They did most of the talking.

The CHAIRMAN. Was anything said there about the indebtedness of the Democratic party to the sugar people?

Senator MURPHY. Oh, no.

The CHAIRMAN. Was anything said there in regard to the schedules by other Senators than the Louisiana Senators?

Senator MURPHY. I think not.

The CHAIRMAN. Were they talking about other schedules than the sugar schedules?

Senator MURPHY. Oh, yes.

Senator LODGE. Did you see anyone else who was connected with the sugar trust during the pendency of the tariff bill?

Senator MURPHY. You mean at Senator Brice's house?

Senator LODGE. No; at any time did you see anyone?

Senator MURPHY. Oh, yes.

Senator LODGE. Who was it?

Senator MURPHY. I saw Mr. Searles and I saw Mr. Cord Meyer.

Senator LODGE. When did you see Mr. Searles?

Senator MURPHY. I think about the time the committee was ready to report.

Senator LODGE. I will read to you what Mr. Searles said, and will then ask you in regard to it:

The CHAIRMAN. Well, what other Senators have you had any interviews with?

Mr. SEARLES. I had an interview with Senator Murphy, from our own State, in which I covered substantially the same ground with the same arguments, asking him to do what he could with members of the committee to secure an ad valorem tariff.

The CHAIRMAN. Was after the rate in the present bill—the rate suggested by what is called the Senate amendments—had been adopted?

Mr. SEARLES. Prior to that.

Senator LODGE. What was his attitude in regard to it?

Mr. SEARLES. He stated that he did not understand the matter very well, but that he would gladly do what he could to secure proper action by the committee.

The CHAIRMAN. How often did you see him on that subject?

Mr. SEARLES. I do not recollect but two interviews with Senator Murphy.

The CHAIRMAN. Where was that first interview?

Hr. SEARLES. At his house, and the second also.

The CHAIRMAN. What was the character of the second interview?

Mr. SEARLES. I do not remember distinctly, but it was along the same line.

Senator LODGE. Was the second after the adoption of the first schedule?

Mr. SEARLES. I think it was.
Senator LODGE. You were opposed to that first schedule?
Mr. SEARLES. I was, most emphatically.
Senator LODGE. And did all in your power to have it changed?
Mr. SEARLES. I did.

That is the statement of Mr. Searles.

Senator MURPHY. I am under the impression that it was before it was reported in the Senate.

Senator LODGE. You mean the last schedule?

Senator MURPHY. Before the last schedule, and after the first schedule was reported.

Senator LODGE. Did he make an argument, as he states here, in favor of substituting an ad valorem for specific duties.

Senator MURPHY. Yes, sir.

Senator LODGE. Did you agree with him in that view?

Senator MURPHY. Yes, sir.

Senator LODGE. His statement is substantially correct?

Senator MURPHY. Yes, sir; his statement is substantially correct.

Senator LODGE. Did you see anyone else who is connected with the sugar trust?

Senator MURPHY. No one; unless you call Cord Meyer connected with the sugar trust.

Senator LODGE. He testified here:

"I tried to impress upon both of them 'that is, Senator Smith and yourself' 'the necessity of protection to the American Sugar Refining Company, and the last time I saw Senator Smith I tried to show that the present schedule was not protection enough, and the only time I think I spoke to Senator Murphy about it was after this schedule had passed. I tried to show him that I did not think there was protection enough to the American Sugar Refining Company.'"

Senator MURPHY. He said it was not enough.

Senator LODGE. Did you see anyone else except Mr. Searles and Mr. Cord Meyer in regard to it?

Senator MURPHY. That is all.

Senator LODGE. You are chairman of the Democratic state committee of New York?

Senator MURPHY. Yes, sir.

Senator LODGE. Were you chairman in 1892 and 1893?

Senator MURPHY. Yes, sir.

Senator LODGE. Mr. Havemeyer testifies that the sugar trust made contributions to the Democratic State campaign fund in those years. Is that correct?

Senator MURPHY. I do not know anything about it. He surely did not to me. I do not know that I ever met Mr. Havemeyer.

Senator LODGE. He does not say he made it personally. He states that contributions were made by the sugar trust to the Democratic State campaign fund.

Senator MURPHY. I have no knowledge of it.

Senator LODGE. Was anything said by Mr. Searles or Mr. Cord Meyer to you in regard to those contributions when they saw you about the schedule?

Senator MURPHY. No, sir.

SWORN STATEMENT OF SENATOR JUSTIN MORRILL.

The CHAIRMAN. Are you a Senator of the United States from the State of Vermont?

Senator MORRILL. I am.

The CHAIRMAN. How long have you been such?

Senator MORRILL. Since 1867.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator MORRILL. I have.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator MORRILL. I have not.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator MORRILL. I have not. I have never speculated in any kind of stocks.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator MORRILL. I have not.

The CHAIRMAN. Has anyone bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stock, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator MORRILL. No.

The CHAIRMAN. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service been, to your knowledge, interested in any of the ways indicated in any of the preceding questions in any transaction in sugar stocks or certificates during the period mentioned?

Senator MORRILL. No.

The CHAIRMAN. Have you, or has any member of your family, or any such clerk owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator MORRILL. No.

The CHAIRMAN. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator MORRILL. No; I have not.

SWORN STATEMENT OF SENATOR JOHN M. PALMER.

The CHAIRMAN. Are you a Senator of the United States from the State of Illinois?

Senator PALMER. I am.

The CHAIRMAN. How long have you been such?

Senator PALMER. I became a member of the Senate in December, 1891.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator PALMER. During the whole time.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator PALMER. Not at all.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator PALMER. I have not.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator PALMER. I have not.

The CHAIRMAN. Has anyone bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation of such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator PALMER. Not at all.

The CHAIRMAN. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested, in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator PALMER. No, sir.

The CHAIRMAN. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator PALMER. Not at all.

The CHAIRMAN. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator PALMER. No, sir. I have never been connected with it, nor in its employment in any way whatever.

SWORN STATEMENT OF SENATOR MATT W. RANSOM.

The CHAIRMAN. Are you a Senator of the United States from the State of North Carolina?

Senator RANSOM. Yes, sir.

The CHAIRMAN. How long have you been such?

Senator RANSOM. Since January, 1872.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator RANSOM. I have; that is, generally.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock

of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator RANSOM. I have not in any way whatever.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator RANSOM. I have not in any way whatever.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator RANSOM. I have not in the slighest way.

The CHAIRMAN. Has anyone bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator RANSOM. No, sir.

The CHAIRMAN. Has any member of your family or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions in any transaction in sugar stocks or certificates during the period mentioned?

Senator RANSOM. Mr. Chairman, I want to make a statement about that:

On last Thursday night, the 14th, this week, Mr. Howland, the correspondent of the New York Press, sent me his card and called to see me at my rooms at the Metropolitan with a stenographer by the name of Robinson or Robertson. He asked me questions very much like those that you put to me now; I mean, the substance of them. He then informed me that the New York Press did not wish to do me or any other Senator any injury without giving us an opportunity to be heard, and he felt it to be his duty to tell me that they had in their possession or he had or somebody had, a broker's scrip—I do not know that he called it scrip, but I call it scrip—upon which were recorded the purchases of different gentlemen or different persons in buying stock, and that upon that scrip it appeared that I had been a frequent purchaser of sugar stock in this city during this sugar debate here.

I protested to him as positively as a man is capable of doing that it was impossible it could be so; that I never owned one certificate or piece of a certificate of sugar stock in my life. That, in fact, since I have been in the Senate I had never traded in one dollar's worth of stock of any sort in any way, shape, or form. I insisted upon his seeing the broker. He told me, upon my asking him, that it was Silsby & Co., who had a house near Seventh street, on Pennsylvania avenue, and that this thing was certainly there.

I told him to telegraph to his paper at once that there was not a word of truth in it; there was no foundation for it; it was without even a shadow. He asked me if any—he seemed to be earnest, and doubtless was—he asked me if this could be the work of some malicious enemy of mine. I told him I could hardly believe that, but I could not account for it to save me, how it was possible. I said, "I will be glad if you will see this broker again before you indulge in any publication of this sort, and find out if this information is not absolutely without foundation, as false as it can be."

He said he would do that, and he then asked me, he said: "Well, general, this is a very clear statement of yours;" or "Senator, this is a very clear statement of yours. Do you know any other person by the name of Ransom in the city?" I told him I knew but one person in the city by the name of Ransom now, and that was my son George, who was my clerk. He asked me where he was, and I said, "He is in the parlor now. I left him there when I got your card, talking with some ladies. I will step in and bring him here, so that you can examine him in a minute." I, perhaps, was more cautious than the occasion required. I said, "I would thank you to come with me to my door here, and see that no communication takes place between me and my son."

I went to the parlor door, saw my son George, and beckoned him to come in. I did not speak to him or see him between the parlor and my room, and when he got to my room I asked the gentlemen to state their business to him, and told my son whatever the matter was to tell the truth about it.

My son then stated to those persons in my presence that he had bought some sugar stock on the 17th or 18th of April. He bought $10 worth of sugar stock.

Senator DAVIS. Ten dollars' worth?

Senator RANSOM. Yes, sir; $10 worth.

The CHAIRMAN. That was margin?

Senator RANSOM. Margin I ought to have said. I mean he paid the broker $10.

He said on the same day he bought $25 worth of cotton; he put $25 on cotton.

Senator ALLEN. A margin on cotton?

Senator RANSOM. Yes, sir; he said he lost the cotton and made $10 on the sugar. That after that he repeated the same bet on sugar, not on cotton, and I think he lost the second. He then stated that a Capt. Barnes, a messenger here at the Commerce Committee room, after that on two occasions bought with him $10 worth of sugar stock apiece—they went in together—and I asked the correspondent to examine my son fully, as much as he pleased, and to see Capt. Barnes and examine him. About two weeks ago Capt. Barnes came to me in my room, in the Committee on Commerce.

The CHAIRMAN. He is a messenger of the committee?

Senator RANSOM. Yes, sir; he is a North Carolinian and has been here for some time, and he told me he had something to tell me and it was very rough; that a particular friend of his had told him that they had a paper on which my name was down for so much sugar stock and that I was deeply in it. I told him how false it was, how absolutely false, and asked him to go to his friend and tell him the same thing and to insist upon his inquiring into it and to let me know in what shape and form it was, what way it was, and what it meant, and how it was.

The next day he came to me and told me his friend had looked into it and thought there was nothing in it, and I told him he must look into it thoroughly and see and know there was nothing in it; that I could not live if there was anything of that sort in anybody's breast about it, and that he must go and see. He returned the next morning and told me his friend said it was all a myth, all nothing, and not to give myself any concern about it; that he was very much gratified to know who it was. This correspondent asked me the name of that person, and I told him it was given to me in confidence and I had no right to give the name without Capt. Barnes' consent, but I have no objection to giving the name to the committee.

I have seen Mr. Howland to-day. I just this minute sent for him and told him I should ask the committee to summon him to give the account of his interview with me to you.

I may not have stated correctly as to details of this purchase by my son. I asked him yesterday morning to go to the broker shop and get an account, a paper, to show the exact transaction, and to be ready to come before the committee, and I shall ask the committee to examine him.

The CHAIRMAN. Had you any knowledge whatever until this interview with Mr. Howland, on the evening you speak of, of the bets of your son with this broker in sugar and cotton?

Senator RANSOM. I never dreamed of such a thing. I never thought of it. I would not have believed it. The truth of it is, I went to my son with a great deal of confidence when this broker wanted to see him.

The CHAIRMAN. You mean when the correspondent wanted to see him?

Senator RANSOM. I mean when the correspondent wanted to see him. The paper shows when he bought the first stock I was out of the city. The 18th of April was when we were at Governor Vance's funeral at Asheville. I may state to the committee that I have no interest whatever, and never have had any, in any stock or trade or anything else in any way since I have been connected with the Senate.

The CHAIRMAN. I will repeat the question which I put to you. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions in any transaction in sugar stocks or certificates during the period mentioned, and you answer as you have, with that exception?

Senator RANSOM. With the exception I have already indicated.

Senator DAVIS. Then you answer no, with the exception as you have just stated?

Senator RANSOM. That is it, and in which I did not have any shadow of interest or knowledge.

The CHAIRMAN. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator RANSOM. Nothing whatever, except the statement I have just made, the explanation I have just made.

The CHAIRMAN. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator RANSOM. No, sir; I never knew anybody connected with it.

SWORN STATEMENT OF SENATOR JOHN PATTON, JR.

The CHAIRMAN. Are you a Senator of the United States from the State of Michigan?

Senator PATTON. I am.

The CHAIRMAN. How long have you been such?

Senator PATTON. I was commissioned on the 5th of May and sworn in on the 10th of May, 1894.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator PATTON. I have.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator PATTON. I have not.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator PATTON. No.

The CHAIRMAN. Have you been concerned with any one in interest, direct or indirect, contingent or otherwise, in any operation whether by purchase or sale of said stocks or certificates?

Senator PATTON. I have not.

The CHAIRMAN. Has any one bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator PATTON. No, sir.

The CHAIRMAN. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions in any transaction in sugar stocks or certificates during the period mentioned?

Senator PATTON. No.

The CHAIRMAN. Have you, or has any member of your family, or any such clerk owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator PATTON. No.

The CHAIRMAN. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator PATTON. No.

SWORN STATEMENT OF SENATOR GEORGE C. PERKINS.

The CHAIRMAN. Are you a Senator of the United States from the State of California?

Senator PERKINS. I am.

The CHAIRMAN. How long have you been such?

Senator PERKINS. Since last August, 1893.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator PERKINS. I have.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator PERKINS. I have not.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator PERKINS. Not a share.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator PERKINS. I have not.

The CHAIRMAN. Has anyone bought or sold for your account or in your interest any of such stocks, or speculated in any such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator PERKINS. No, sir.

The CHAIRMAN. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions in any transaction in sugar stocks or certificates during the period mentioned?

Senator PERKINS. No, sir.

The CHAIRMAN. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator PERKINS. No, sir.

The CHAIRMAN. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator PERKINS. I have not.

SWORN STATEMENT OF SENATOR ORVILLE H. PLATT.

The CHAIRMAN. Are you a Senator of the United States from the State of Connecticut?

Senator PLATT. I am.

The CHAIRMAN. How long have you been such?

Senator PLATT. Since March 4, 1879.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator PLATT. Yes, sir.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator PLATT. I have not.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator PLATT. No.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator PLATT. No.

The CHAIRMAN. Has anyone bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to

your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator PLATT. No.

The CHAIRMAN. Has any member of your family or any person in your employ, or any clerk employed under the laws of the United States in your service been, to your knowledge, interested in any of the ways indicated in any of the preceding questions in any transaction in sugar stocks or certificates during the period mentioned?

Senator PLATT. No.

The CHAIRMAN. Have you or has any member of your family or any such clerk owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator PLATT. No.

The CHAIRMAN. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator PLATT. No.

SWORN STATEMENT OF SENATOR REDFIELD PROCTOR.

The CHAIRMAN. Are you a Senator of the United States from the State of Vermont?

Senator PROCTOR. I am.

The CHAIRMAN. How long have you been such?

Senator PROCTOR. Since December 1, 1891.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator PROCTOR. With reasonable regularity.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator PROCTOR. I have not.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator PROCTOR. I have not.

The CHAIRMAN. Have you been concerned with any one in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stocks or certificates?

Senator PROCTOR. No.

The CHAIRMAN. Has anyone bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator PROCTOR. No.

The CHAIRMAN. Has any member of your family or any person in your employ, or any clerk employed under the laws of the United States in your service been, to your knowledge, interested in any of the ways indicated in any of the preceding questions in any transaction in sugar stocks or certificates during the period mentioned?

Senator PROCTOR. No.

The CHAIRMAN. Have you or has any member of your family or any

such clerk owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator PROCTOR. No.

The CHAIRMAN. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

SWORN STATEMENT OF SENATOR JAMES L. PUGH.

Senator LODGE. Are you a Senator of the United States from the State of Alabama?

Senator PUGH. I am.

Senator Lodge. How long have you been such?

Senator PUGH. Since December, 1880.

Senator LODGE. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator PUGH. I have.

Senator LODGE. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator PUGH. I have given no such information to anyone, because I had none to give.

Senator LODGE. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock certificates of the American Sugar Refining Company?

Senator PUGH. No, sir; no stocks; not a cent.

Senator LODGE. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stocks or certificates?

Senator PUGH. No, sir.

Senator LODGE. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator PUGH. No, sir; I never bought a dollar's worth of stock of any description in my life.

Senator LODGE. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested, in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator PUGH. Not one that I ever heard of or know anything of. No one in my family has ever been interested in anything of the kind.

Senater LODGE. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator PUGH. Not a cent.

Senator LODGE. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator PUGH. No, sir.

SWORN STATEMENT OF SENATOR THOMAS J. JARVIS.

Senator LODGE. Are you a Senator of the United States from the State of North Carolina?

Senator JARVIS. Yes.

Senator LODGE. How long have you been such?

Senator JARVIS. Some time about the last of April, I believe the 26th day, 1894.

Senator LODGE. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator JARVIS. I have.

Senator LODGE. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator JARVIS. I have not.

Senator LODGE. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator JARVIS. Never since, or before.

Senator LODGE. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator JARVIS. Never.

Senator LODGE. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator JARVIS. Never.

Senator LODGE. Has any member of your family or any person in your employ, or any clerk employed under the laws of the United States in your service been, to your knowledge, interested in any of the ways indicated in any of the preceding questions in any transaction including stocks or certificates during the period mentioned?

Senator JARVIS. None.

Senator LODGE. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period mentioned?

Senator JARVIS. No.

Senator LODGE. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator JARVIS. Never.

SWORN STATEMENT OF SENATOR SAMUEL PASCO.

Senator LODGE. Are you a Senator of the United States from the State of Florida?

Senator PASCO. I am.

Senator LODGE. How long have you been such?

Senator PASCO. I am on the first year of my second term—a little more than seven years.

Senator LODGE. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator PASCO. I have been, constantly.

Senator LODGE. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator PASCO. None whatever.

Senator LODGE. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates, of the American Sugar Refining Company?

Senator PASCO. No; either those stocks or any other.

Senator LODGE. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificate?

Senator PASCO. No; I have taken no action in anything of the sort, and had no interest.

Senator LODGE. Has anyone bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator PASCO. No.

Senator LODGE. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator PASCO. None.

Senator LODGE. Have you, or has any member of your family, or any such clerk, owned or had certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator PASCO. Not within my knowledge or belief.

Senator LODGE. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator PASCO. Never in any way.

SWORN STATEMENT OF SENATOR WILLIAM ALFRED PEFFER.

Senator LODGE. Are you a Senator of the United States from the State of Kansas?

Senator PEFFER. Yes.

Senator LODGE. How long have you been such?

Senator PEFFER. Since March, 1891.

Senator LODGE. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator PEFFER. Yes.

Senator LODGE. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock

of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator PEFFER. No.

Senator LODGE. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator PEFFER. No.

Senator LODGE. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stocks or certificates?

Senator PEFFER. No.

Senator LODGE. Has anyone bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator PEFFER. No.

Senator LODGE. Has any member of your family or any person in your employ or any clerk employed under the laws of the United States in your service been, to your knowledge, interested in any of the ways indicated in any of the preceding questions in any transactions in sugar stocks or certificates during the period mentioned?

Senator PEFFER. No.

Senator LODGE. Have you, or has any member of your family or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator PEFFER. No.

Senator LODGE. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator PEFFER. No.

SWORN STATEMENT OF SENATOR JOHN B. GORDON.

Senator LODGE. Are you a Senator of the United States from the State of Georgia?

Senator GORDON. Yes.

Senator LODGE. How long have you been such?

Senator GORDON. At this election, since 1891.

Senator LODGE. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator GORDON. Yes.

Senator LODGE. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator GORDON. I have not.

Senator LODGE. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator GORDON. None.

Senator LODGE. Have you been concerned with anyone in interest,

direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stocks or certificates?

Senator GORDON. In no way whatever.

Senator LODGE. Has any one bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator GORDON. None whatever.

Senator LODGE. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service been, to your knowledge, interested in any of the ways indicated in any of the preceding questions in any transaction in sugar stocks or certificates during the period mentioned?

Senator GORDON. None whatever.

Senator LODGE. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator GORDON. None.

Senator LODGE. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator GORDON. In no way.

SWORN STATEMENT OF SENATOR JOHN MARTIN.

Senator LODGE. Are you a Senator of the United States from the State of Kansas?

Senator MARTIN. I am.

Senator LODGE. How long have you been such?

Senator MARTIN. Since the 4th of March, 1893.

Sedator LODGE. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator MARTIN. I have.

Senator LODGE. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator MARTIN. I have not, either directly or indirectly.

Senator LODGE. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator MARTIN. I have not. I have never had a dollar's worth of interest, directly or indirectly, in any such stocks on earth.

Senator LODGE. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stocks or certificates?

Senator MARTIN. I have not in the remotest degree.

Senator LODGE. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator MARTIN. No, sir; none, whatever.

Senator LODGE. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service been, to your knowledge, interested in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator MARTIN. Not at all.

Senator LODGE. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the time heretofore mentioned?

Senator MARTIN. Not to my knowledge.

Senator LODGE. Have you, at any time, been connected with the American Sugar Refining Company, or have you, at any time, been in its employ, as attorney, agent, or otherwise?

Senator MARTIN. I never have, nor have I had any relation with it whatever.

SWORN STATEMENT OF SENATOR HENRY M. TELLER.

Senator ALLEN. Are you a Senator of the United States from the State of Colorado?

Senator TELLER. I am.

Senator ALLEN. How long have you been such?

Senator TELLER. I was elected in 1876, served until the spring of 1882, when I went into the Cabinet with Mr. Arthur, remained there until March, 1885, when I was returned to the Senate on the 5th of the previous January; and I have been elected once since.

Senator ALLEN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator TELLER. I have.

Senator ALLEN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator TELLER. I have not, that I am aware of.

Senator ALLEN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stocks or certificates of the American Sugar Refining Company?

Senator TELLER. I have not, either since the session or at any time.

Senator ALLEN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stock or certificates?

Senator TELLER. I have not.

Senator ALLEN. Has anyone bought or sold for your account, or in your interest, any of such stock, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator TELLER. They have not.

Senator ALLEN. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service been, to your knowledge, interested in any of

the ways indicated in any of the preceding questions, in any transaction in sugar stock or certificates during the period mentioned?

Senator TELLER. They have not, and I know they have not?

Senator ALLEN. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator TELLER. They have not.

Senator ALLEN. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator TELLER. I never had any connection with it in any shape or form.

Senator DAVIS. Your colleague, Senator Wolcott, is now necessarily absent in Europe, and has been some weeks, and will not probably return for some time?

Senator TELLER. He is in Europe. He went to Europe to have a surgical operation performed. I can not remember the date, but he went away, and he is now away in Europe, and will be probably for two months.

Senator DAVIS. Necessarily so.

Senator TELLER. Yes, sir. He has had an operation performed, and that will keep him in Europe for some time. I am satisfied that Mr. Wolcott has had no dealings in sugar stocks. I know pretty nearly what he does in business when he is here. He is quite confidential with me.

Senator ALLEN. I understood you to say that you had an intimate knowledge of his business affairs.

Senator TELLER. Yes. I should be likely to know if he had, unless it was something extraordinary. I do not believe that Mr. Wolcott has dealt in sugar stocks, either directly or indirectly, through himself or anybody else.

Senator DAVIS. You are confident that his answers would be as positive in the negative as your own?

Senator TELLER. They would probably be the same. I am satisfied he has not been dealing in sugar stocks. I would like to add for myself that I do not deal at all in stocks at any time. I am not a stock dealer, and have had no connection with speculations of that kind at any time.

SWORN STATEMENT OF SENATOR GEORGE L. SHOUP.

Senator ALLEN. Are you a member of the United States Senate from the State of Idaho?

Senator SHOUP. I am.

Senator ALLEN. How long have you been such?

Senator SHOUP. Since December, 1890.

Senator ALLEN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator SHOUP. I have.

Senator ALLEN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator SHOUP. I have not.

Senator ALLEN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar

stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator SHOUP. I have not.

Senator ALLEN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stocks or certificates?

Senator SHOUP. None.

Senator ALLEN. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks, on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator SHOUP. None, whatever.

Senator ALLEN. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested, in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator SHOUP. None.

Senator ALLEN. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator SHOUP. No.

Senator ALLEN. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senater SHOUP. I have not been connected with it in any way.

SWORN STATEMENT OF SENATOR DAVID TURPIE.

Senator ALLEN. Are you a Senator of the United States from the State of Indiana?

Senator TURPIE. I am.

Senator ALLEN. How long have you been such?

Senator TURPIE. Since December, 1887.

Senator ALLEN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator TURPIE. Yes.

Senator ALLEN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator TURPIE. No, sir.

Senator ALLEN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator TURPIE. No, sir.

Senator ALLEN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator TURPIE. Not at all, sir.

Senator ALLEN. Has anyone bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks,

on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator TURPIE. No, sir.

Senator ALLEN. Has any member of your family or any person in your employ or any clerk employed under the laws of the United States in your service been, to your knowledge, interested in any of the ways indicated in any of the preceding questions in any transaction in sugar stocks or certificates during the period mentioned?

Senator TURPIE. No, sir.

Senator ALLEN. Have you, or has any member of your family or any such clerk owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator TURPIE. No, sir.

Senator ALLEN. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator TURPIE. No. I have had no connection with it or any employment from it.

SWORN STATEMENT OF SENATOR JAMES K. JONES.—Recalled.

Senator LODGE. Are you a Senator of the United States from the State of Arkansas?

Senator JONES. I am.

Senator LODGE. How long have you been such?

Senator JONES. Little over nine years, I think.

Senator LODGE. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator JONES. I have.

Senator LODGE. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator JONES. I have not, that I know of.

Senator LODGE. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator JONES. I have not, nor any other kind.

Senator LODGE. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator JONES. I have not.

Senator LODGE. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator JONES. They have not.

Senator LODGE. Has any member of your family or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of

the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator JONES. None whatever.

Senator LODGE. Have you, or has any member of your family or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator JONES. None.

Senator LODGE. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator JONES. I have not.

SWORN STATEMENT OF SENATOR MATTHEW S. QUAY.

Senator LODGE. Are you a Senator of the United States from the State of Pennsylvania?

Senator QUAY. I am.

Senator LODGE. How long have you been such?

Senator QUAY. Since the 4th of March, 1887, I think.

Senator LODGE. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator QUAY. Not continuously; I was absent a month or six weeks, in Florida.

Senator LODGE. Have you given any information, directly or indirectly to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator QUAY. I have not.

Senator LODGE. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock, or stocks, or stock or certificates of the American Sugar Refining Company?

Senator QUAY. I have. I have bought and sold, not continuously, but incidentally with other stocks, stock of the American Sugar Refining Company during the last twenty months, beginning, say, twenty months ago. The last transaction, I think, was on the day that was fixed for the vote upon the sugar schedule, when I closed out at some loss to enable me to vote without having any interest in the stock. I had been away a week, and did not know the schedule was about to be voted upon. I have done nothing in it since. I do not feel that there is anything in my connection with the Senate to interfere with my buying or selling the stock when I please; and I propose to do so.

Senator LODGE. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator QUAY. I have not; and I will say further, inasmuch as I have testified that I have dealt in the stock, that I have no acquaintance with either of the Havemeyers, or Mr. Searles, or Mr. Terrell, and have never met anyone at Washington or elsewhere who I understood was an agent of the sugar trust or connected with it, and that I have never received any information from any member of the Senate Finance Committee in relation to legislation. I have acted entirely in all sales or purchases I have made without regard to pending legislation.

Senator DAVIS. Mr. Quay, let me ask you a question. You have

been in the practice for years, haven't you, of operating in various stocks upon the stock board, more or less?

Senator QUAY. Yes, sir; since 1861. Sometimes for two or three years I do not buy stocks; sometimes I am very active. I simply have nothing at all to explain, except that I have no relation whatever with the sugar trust, and had not any participation in the framing of the sugar schedule or in any legislation upon it.

Senator DAVIS. You were not consulted about it?

Senator QUAY. No, sir.

Senator DAVIS. By the sugar people?

Senator QUAY. I am not acquainted with them, and never knew any of them. That is probably a pretty broad assertion. I am very well acquainted with Mr. Harrison, of Philadelphia, who was the proprietor of a refinery there which went into the trust; and he might possibly be in it now. I am not sure about it. But I have never conversed with him in reference to the sugar trust.

Senator DAVIS. You had nothing to do with making up the sugar schedule?

Senator QUAY. No, sir.

SWORN STATEMENT OF SENATOR WATSON C. SQUIRE.

Senator ALLEN. Are you a Senator of the United States from the State of Washington?

Senator SQUIRE. Yes, sir.

Senator ALLEN. How long have you been such.

Senator SQUIRE. Since the first Monday in December, 1889.

Senator ALLEN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator SQUIRE. I have.

Senator ALLEN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator SQUIRE. Not that I am aware; not that I remember.

Senator ALLEN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator SQUIRE. I have not.

Senator ALLEN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stock or certificates?

Senator SQUIRE. No, sir.

Senator ALLEN. Has anyone bought or sold for your account, or in your interest, any of such stock, or speculated in any of such stock on your account, or given you to understand that you would share in the profits of any operation in such stock, or placed any money to your credit as the proceeds of the purchase or sale of such stock, or promised or agreed to place such money to your credit?

Senator SQUIRE. No.

Senator ALLEN. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service been, to your knowledge, interested in any of the ways

indicated in any of the preceding questions in any transaction in sugar stock or certificates during the period mentioned?

Senator SQUIRE. Well, I have a brother-in-law, who, I think, has been speculating some in it, but I do not know that he would be a member of my family. I do not know what he has been doing, but he has written me letters asking me to, but I have given him no information.

Senator DAVIS. Is your brother-in-law in your employment or service in any way?

Senator SQUIRE. No.

Senator ALLEN. Is not a member of your family?

Senator SQUIRE. No.

Senator DAVIS. Are you connected in business in any respect?

Senator SQUIRE. No.

Senator DAVIS. Is your brother-in-law in the service of the Government?

Senator SQUIRE. No.

Senator ALLEN. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator SQUIRE. No.

Senator ALLEN. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator SQUIRE. No.

Senator ALLEN. Have you furnished to your brother-in-law any information as to the probable result of the tariff bill?

Senator SQUIRE. No.

Senator ALLEN. Or the sugar schedule?

Senator SQUIRE. I have said I did not think anybody could tell.

SWORN STATEMENT OF SENATOR JAMES SMITH, JR.

The CHAIRMAN. Are you a Senator of the United States from the State of New Jersey?

Senator SMITH. Yes, sir.

The CHAIRMAN. How long have you been such?

Senator SMITH. Since a year ago last March.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator SMITH. I have; yes, sir.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stock, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator SMITH. No, sir.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator SMITH. No, sir.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stocks or certificates?

Senator SMITH. No, sir.

The CHAIRMAN. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator SMITH. No, sir.

The CHAIRMAN. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service been, to your knowledge, interested in any of the ways indicated in any of the preceding questions in any transactions in sugar stock or certificates during the period mentioned?

Senator SMITH. No, sir.

The CHAIRMAN. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator SMITH. Not to my knowledge.

The CHAIRMAN. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator SMITH. No, sir.

The CHAIRMAN. In an article published in the Philadelphia Press on May 14, this year, signed Holland, it is stated, among other things, that you were present at a meeting in the room of Mr. Terrell in the Arlington Hotel with Mr. Havemeyer, who is president of the American Sugar Refining Company, some time in March last—March 7 has been indicated by witnesses as the time when Mr. Havemeyer was present in Mr. Terrell's room. What have you to say about that statement?

Senator SMITH. Some time in March—what date it was I do not know—I called at Senator Brice's house one evening to see him, and they informed me that he was at Mr. Terrell's room at the Arlington Hotel. On my way back I stopped at the Arlington Hotel and sent my card up to Mr. Brice, and when I went up there I found Mr. Terrell, Mr. Havemeyer, and Mr. Brice. When I went in they were not discussing any question, that is, not apparently. I remained there, I suppose, about ten minutes. I think it must have been about 10 o'clock, maybe 10:30. While I was there I remember Mr. Havemeyer spoke and said that the committee were not treating them very well on the sugar schedule, and I said to him that he was not alone, that we heard that same story from nearly all the manufacturers who came before the committee, and that was about the whole of the conversation on the sugar schedule that took place, as I remember it now.

The CHAIRMAN. While you were there?

Senator SMITH. While I was there; yes, sir.

The CHAIRMAN. Was there any other conversation that, you can recollect, touching the sugar schedule or the interests of the sugar refiners?

Senator SMITH. Then?

The CHAIRMAN. Yes, sir.

Senator SMITH. No, sir.

The CHAIRMAN. Did you go away before Mr. Havemeyer?

Senator SMITH. Yes, sir. I do not think I was there over ten to fifteen minutes altogether.

The CHAIRMAN. Did you ever see Mr. Havemeyer afterwards?

Senator SMITH. I did; yes, sir.

The CHAIRMAN. Is there a sugar refinery located in your State?

Senator SMITH. Yes, sir; one of the largest. The corporation itself is a New Jersey corporation, and one of the largest refineries is located at Jersey City.

The CHAIRMAN. Does it belong to the so-called sugar trust?

Senator SMITH. Yes, sir.

The CHAIRMAN. When again did you see Mr. Havemeyer about matters connected with the trust, or did he see you about matters of the trust?

Senator SMITH. He came to see me two or three times at the hotel.

The CHAIRMAN. What hotel?

Senator SMITH. The Normandie, where I was living; and it was in regard to his schedule on raw and refined sugars. He went on to state that Mr. Jones and Mr. Vest were treating his interests very badly and that if the schedule as it was then talked about would go into effect it would ruin and drive out the refining industry from this country.

Senator DAVIS. Now, Mr. Smith, what schedule was that, the one reported from the Senate Finance Committee?

Senator SMITH. I think it was the schedule that was reported by the Finance Committee, something on polarization or degrees from a certain point up to 96 degrees, and then 16 Dutch standard. I don't know——

Senator DAVIS. Did you understand those terms?

Senator SMITH. No; I do not. I am not familiar with them. He claimed that the schedule that Mr. Jones and Mr. Vest made up would drive the refineries all out of this country, and he felt that, as their Senator from New Jersey where they had large interests, I ought to see that they were treated as fairly as I would treat any other manufacturing industries in my State.

The CHAIRMAN. Just state the whole conversation, in substance—the character of it. You are speaking of his first visit to you?

Senator SMITH. Yes, sir. I think that was the first time he called.

The CHAIRMAN. Was that after you met him in Mr. Terrell's room?

Senator SMITH. No; I think that was before I met him in Mr. Terrell's room. As nearly as I can recollect, it was before I met him—I think may be a day or two before, I am not positive. I kept no particular account.

The CHAIRMAN. You are not positive whether it was before or after?

Senator SMITH. I am not positive.

The CHAIRMAN. But you think it was before?

Senator SMITH. My impression is that it was before. I told him that I felt, while I was willing to do anything I could that was fair or right for them to have, still I considered them in a little different light from that in which I did the other industries in my State; that he was concerned in a trust, and the public generally felt that they were not entitled to the same consideration as those engaged in private manufacturing; and that it did not seem to me, and I did not believe, that the committee would be inclined to give them the treatment they would give private individuals or manufacturers.

He said he did not see why; that he was engaged in an honorable business and was employing a very large number of men, saying, directly or indirectly, 100,000; that in my State he employed a very large number, and that he not only employed men there himself, but he bought the product of a very large concern in my State, the bone char, which they use for coloring sugar; and that he felt that I should take a very large interest in seeing that they were properly taken care of,

owing to the fact that they had so many men working directly and indirectly in my State in their industry.

The CHAIRMAN. Did you make any response or engagement in regard to the matter?

Senator SMITH. Only that I said to him that I believed, if a duty was put on raw sugar, that refined sugar ought to receive the same consideration.

The CHAIRMAN. Did you settle upon any particular rate or schedule with him then or at any other time?

Senator SMITH. No, sir. Only that he said this committee, Mr. Jones and Mr. Vest, were not treating him fairly, and that the sugar-refining industry would be driven out of this country, even on a basis of 40 and an eighth.

The CHAIRMAN. Did he use arguments of any other character than those you have indicated?

Senator SMITH. No, sir.

The CHAIRMAN. Did he remind you of the supposed indebtedness of the Democratic party to the sugar trust?

Senator SMITH. He never spoke about anything of that kind, sir.

The CHAIRMAN. It is stated in the article to which I have referred that—

Upon one occasion, there were gathered in a room in a Washington hotel Mr. Havemeyer, Senator Brice, Senator Smith, of New Jersey, "Brice's Terrell," and one other man whose name it may be worth while to withhold for the present. At that interview Mr. Havemeyer displayed a great deal of indignation. He rebuked Senator Brice for failing to secure such influence in the Senate as the sugar people expected him to secure. He turned to Senator Smith and asked him bluntly, almost brusquely, what he was going to do to maintain the pledges of the party leaders to the sugar men and to secure a satisfactory schedule. Senator Smith replied that he did not see what he could then do, but he said there was always this consolation, that if they could not secure the schedule they wanted they could surely defeat the bill, leaving the present law operative.

What have you to say in reference to that statement?

Senator SMITH. All of it is untrue, so far as I am concerned.

Senator DAVIS. Did Mr. Havemeyer, at any time or place, address you in that manner in form or substance?

Senator SMITH. No, sir; never.

The CHAIRMAN. You have spoken of one interview. I asked you when the other interviews, other than the one you have spoken of, occurred, and where?

Senator SMITH. I met him at the Arlington; I think he was at my hotel twice.

The CHAIRMAN. When you say you met him at the Arlington, you mean the occasion to which you have referred?

Senator SMITH. Yes, sir.

The CHAIRMAN. You met him at the Arlington at no other time?

Senator SMITH. No, sir.

The CHAIRMAN. Did you meet him at any other place?

Senator SMITH. No.

The CHAIRMAN. Did anything occur at the other interviews other than you have described?

Senator SMITH. They were only on the same lines; that he thought they were entitled to fair protection the same as any other manufacturers, that they were engaged in an honorable, legitimate business and that a large part of their interests were in my State; and that I should try to protect them as well as I would any other manufacturing interests we have.

The CHAIRMAN. And nothing else; and no arguments of any other character were used?

Senator SMITH. No, sir; not any.

The CHAIRMAN. Did you ever see him in the Capitol?

Senator SMITH. No, sir.

The CHAIRMAN. Did you ever go before the committee in his interest?

Senator SMITH. No, sir.

The CHAIRMAN. Or make any request of them in regard to the matter?

Senator SMITH. Not before the committee.

The CHAIRMAN. Before any members of the committee?

Senator SMITH. I think I did. I think I said to some of the members of the committee that if raw sugar was protected they ought to do something for refined; and this was prior to my meeting Mr. Havemeyer or having any conversation at all with him.

The CHAIRMAN. Did you say anything of that nature to any members of the committee after you met Mr. Havemeyer?

Senator SMITH. I think not.

The CHAIRMAN. Were you ever in the Capitol building with Mr. Havemeyer, or either of the Havemeyers, Mr. Cord Meyer, or with any other person interested in sugar stocks?

Senator SMITH. No, sir.

The CHAIRMAN. On Sunday or any other day?

Senator SMITH. At no time.

The CHAIRMAN. Were you ever on Mr. Benedict's yacht with Mr. Cleveland when Mr. Havemeyer was present, or any other member of the sugar trust?

Senator SMITH. I never had that pleasure.

The CHAIRMAN. Were you ever on Mr. Benedict's yacht?

Senator SMITH. No, sir.

The CHAIRMAN. Have you ever, during the pendency of this bill, speculated in any wise or in any way in sugar stocks?

Senator SMITH. No, sir.

The CHAIRMAN. Do you know of any contributions by the people interested in the so-called sugar trust and the American Sugar Refining Company to the campaign funds of 1892?

Senator SMITH. No, sir.

The CHAIRMAN. Have you received any from them in your State personally?

Senator SMITH. No, sir.

The CHAIRMAN. Do you know of any in the years 1892 and 1893?

Senator SMITH. No, sir.

Senator DAVIS. Or in any other years?

Senator SMITH. No, sir.

Senator DAVIS. Did I understand you to say that you went to some of the individual members of the finance committee with reference to this sugar schedule before you had any talk with Mr. Havemeyer?

Senator SMITH. Yes, sir. In talking over the tariff bill in general, when it came to the sugar schedule somebody asked me the question—I forget now just who it was, because I took quite an interest in the tariff bill, coming from a State that has as many or more manufacturing interests in it than any other State represented on our side of the chamber—somebody asked me when it came to the sugar schedule, and I said that I thought that whatever it was in both raw and refined at that time—I was not familiar with what the bounty amounted to, or what the rate was on refined sugar under the McKinley bill—I stated

then and there that whatever that was I would advocate a reduction of one-half, or cutting in two the protection on both.

Senator DAVIS. To what members of the Finance Committee did you make those statements?

Senator SMITH. I think I made the statement to Senator Jones and to Senator Vest.

Senator DAVIS. How many times?

Senator SMITH. Only once.

Senator DAVIS. The sugar schedule, then, was the schedule that had been reported to the Senate by the committee?

Senator SMITH. This was long before there was any schedule fixed by the committee.

Senator DAVIS. Long before the committee made any report at all?

Senator SMITH. Yes, sir. This was a general conversation in regard to the tariff bill.

The CHAIRMAN. Do you recollect where that conversation was?

Senator SMITH. No.

Senator DAVIS. It was upon the House bill as it then stood; they were considering it?

Senator SMITH. They were considering the House bill; yes, sir.

The CHAIRMAN. I now ask you the question, do you recollect where that conversation was?

Senator SMITH. I think it was in the Senate Chamber, because, more or less every day, I was talking with them on the sugar schedule.

Senator DAVIS. After the committee had reported the tariff bill, did you exert or help to exert any influence in regard to the change in the sugar schedule from the one that the committee reported?

Senator SMITH. No, sir.

Senator DAVIS. At any time or anywhere?

Senator SMITH. No, sir. My own view on the sugar schedule was, free raw and free refined sugars. That not being done, I believed then and believe now that if there is a tax on raw sugar there should be one on refined. That has been my position on the sugar question.

SWORN STATEMENT OF SENATOR JOHN SHERMAN.

The CHAIRMAN. Are you a Senator of the United States from the State of Ohio?

Senator SHERMAN. I am.

The CHAIRMAN. How long have you been such?

Senator SHERMAN. Twenty-nine years.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator SHERMAN. Yes, sir.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator SHERMAN. No, sir; emphatically.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator SHERMAN. No, sir.

The CHAIRMAN. Have you been concerned with anyone in interest

direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator SHERMAN. No.

The CHAIRMAN. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator SHERMAN. No.

The CHAIRMAN. Has any member of your family or, any person in your employ, or any clerk employed under the laws of the United States in your service been, to your knowledge, interested in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator SHERMAN. No.

The CHAIRMAN. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator SHERMAN. No.

The CHAIRMAN. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator SHERMAN. No; in no respect, except I was very much opposed to it.

SWORN STATEMENT OF SENATOR WILLIAM M. STEWART.

The CHAIRMAN. Are you a Senator of the United States from the State of Nevada?

Senator STEWART. I am.

The CHAIRMAN. How long have you been such?

Senator STEWART. I was elected first in 1864, and served until 1875, and then again in 1887 my term commenced, and I am on my full term.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator STEWART. I have.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator STEWART. I have not. I had no information to give.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator STEWART. No; nor at any other time.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stocks or certificates?

Senator STEWART. I have not.

The CHAIRMAN. Has anyone bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to

SWORN STATEMENT OF SENATOR WILLIAM N. ROACH.

Senator DAVIS. Are you a Senator of the United States from the State of North Dakota?

Senator ROACH. I am.

Senator DAVIS. How long have you been such?

Senator ROACH. I was sworn in March 4, 1893.

Senator DAVIS. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator ROACH. Yes, sir.

Senator DAVIS. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Refining Sugar Company, that was intended or calculated to affect its value?

Senator ROACH. No, sir.

Senator Davis. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator ROACH. No, sir.

Senator DAVIS. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator ROACH. No, sir.

Senator DAVIS. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator ROACH. No, sir.

Senator DAVIS. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service been, to your knowledge, interested, in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator ROACH. No, sir.

Senator DAVIS. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator ROACH. No, sir.

Senator DAVIS. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator ROACH. No, sir.

SWORN STATEMENT OF SENATOR STEPHEN M. WHITE.

Senator DAVIS. Are you a Senator of the United States from the State of California?

Senator WHITE. I am.

Senator DAVIS. How long have you been such?

Senator WHITE. Since the 4th day of March, 1893.

The CHAIRMAN. Have you, or has any member of your family, or any such clerk owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator JONES. No, sir; nor at any other period.

The CHAIRMAN. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator JONES. No, sir.

SWORN STATEMENT OF SENATOR JOHN T. MORGAN.

Senator DAVIS. Are you a Senator of the United States from the State of Alabama?

Senator MORGAN. I am.

Senator DAVIS. How long have you been such?

Senator MORGAN. Nearly eighteen years.

Senator DAVIS. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator MORGAN. Yes; nearly all the time.

Senator DAVIS. Have you given any information, directly or indirectly, to anyone interested in sugar stocks so called or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator MORGAN. No, sir; I had none to give.

Senator DAVIS. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator MORGAN. I have not.

Senator DAVIS. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator MORGAN. No.

Senator DAVIS. Has anyone bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator MORGAN. No.

Senator DAVIS. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service been, to your knowledge, interested in any of the ways indicated in any of the preceding questions in any transaction in sugar stocks or certificates during the period mentioned?

Senator MORGAN. Not at all.

Senator DAVIS. Have you, or has any member of your family, or any such clerk owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator MORGAN. No.

Senator DAVIS. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator MORGAN. No, not at all.

SWORN STATEMENT OF SENATOR WILLIAM N. ROACH.

Senator DAVIS. Are you a Senator of the United States from the State of North Dakota?

Senator ROACH. I am.

Senator DAVIS. How long have you been such?

Senator ROACH. I was sworn in March 4, 1893.

Senator DAVIS. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator ROACH. Yes, sir.

Senator DAVIS. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Refining Sugar Company, that was intended or calculated to affect its value?

Senator ROACH. No, sir.

Senator Davis. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator ROACH. No, sir.

Senator DAVIS. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator ROACH. No, sir.

Senator DAVIS. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator ROACH. No, sir.

Senator DAVIS. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service been, to your knowledge, interested, in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator ROACH. No, sir.

Senator DAVIS. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator ROACH. No, sir.

Senator DAVIS. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator ROACH. No, sir.

SWORN STATEMENT OF SENATOR STEPHEN M. WHITE.

Senator DAVIS. Are you a Senator of the United States from the State of California?

Senator WHITE. I am.

Senator DAVIS. How long have you been such?

Senator WHITE. Since the 4th day of March, 1893.

Senator DAVIS. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator WHITE. I have.

Senator DAVIS. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator WHITE. No.

Senator DAVIS. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator WHITE. No.

Senator DAVIS. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stocks or certificates?

Senator WHITE. No.

Senator DAVIS. Has anyone bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator WHITE. No.

Senator DAVIS. Has any member of your family or any person in your employ, or any clerk employed under the laws of the United States in your service been, to your knowledge, interested in any of the ways indicated in any of the preceding questions in any transaction in sugar stocks or certificates during the period mentioned?

Senator WHITE. No.

Senator DAVIS. Have you or has any member of your family, or any such clerk owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator WHITE. No.

Senator DAVIS. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator WHITE. No.

SWORN STATEMENT OF SENATOR DANIEL W. VOORHEES.—Recalled.

The CHAIRMAN. Are you a Senator of the United States from the State of Indiana?

Senator VOORHEES. I am.

The CHAIRMAN. How long have you been such?

Senator VOORHEES. Nearly 17 years now.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator VOORHEES. I have.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator VOORHEES. Not a particle of any kind or description.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator VOORHEES. No.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stocks or certificates?

Senator VOORHEES. No.

The CHAIRMAN. Has anyone bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator VOORHEES. No.

The CHAIRMAN. Has any member of your family or any person in your employ, or any clerk employed under the laws of the United States in your service been, to your knowledge, interested in any of the ways indicated in any of the preceding questions in any transaction in sugar stocks or certificates during the period mentioned?

Senator VOORHEES. No.

The CHAIRMAN. Have you, or has any member of your family, or any such clerk owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator VOORHEES. No.

The CHAIRMAN. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator VOORHEES. No.

SWORN STATEMENT OF SENATOR WILLIAM F. VILAS.

The CHAIRMAN. Are you a Senator of the United States from the State of Wisconsin?

Senator VILAS. I am.

The CHAIRMAN. How long have you been such?

Senator VILAS. Since the 4th of March, 1891.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate.

Senator VILAS. Yes, sir.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Campany, that was intended or calulated to affect its value?

Senator VILAS. I have not, in any way.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator VILAS. No sir; not at any time.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator VILAS. Never.

The CHAIRMAN. Has anyone bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator VILAS. Never; nothing of the sort.

The CHAIRMAN. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions in any transaction in sugar stocks or certificates during the period mentioned?

Senator VILAS. No.

The CHAIRMAN. Have you, or has any member of your family or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator VILAS. Never; nothing of the kind.

The CHAIRMAN. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator VILAS. Never.

SWORN STATEMENT OF SENATOR THOMAS C. POWER.

The CHAIRMAN. Are you a Senator of the United States from the State of Montana?

Senator POWER. Yes, sir.

The CHAIRMAN. How long have you been such?

Senator POWER. Since April 16, 1890.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator POWER. Yes.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator POWER. No.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator POWER. No.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation whether by purchase or sale of said stocks or certificates?

Senator POWER. No.

The CHAIRMAN. Has anyone bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator POWER. No.

The CHAIRMAN. Has any member of your family or any person in your employ, or any clerk employed under the laws of the United

your stating it. But you must be governed by what you think is due to the committee and yourself. I know very well that that is the rule of the Senate in regard to transactions in committee.

Senator VEST. The first bill prepared by Senator Jones, Senator Mills, and myself put about 1 cent specific duty on raw sugar, to be tested according to the polariscopic strength, without any duty at all upon refined sugars. We agreed to report the bill with that provision, and it was so printed. The morning——

Senator LODGE. Excuse me for interrupting you a moment. Was that a graded duty or a uniform duty?

Senator VEST. It commenced at 82° and went up so much.

Senator LODGE. It was a graded duty?

Senator VEST. Yes, sir; it was according to the saccharine strength by the polariscope.

Senator LODGE. It was graded up?

Senator VEST. Yes, sir.

Senator DAVIS. It ran from what to what?

Senator VEST. From 82.

Senator DAVIS. It ran from what to what in duty?

Senator VEST. I can not say.

Senator DAVIS. What was the maximum?

Senator VEST. One cent a pound, according to the degree. On Tuesday morning we were to lay that bill before the Democratic members of the Finance Committee. Senators Harris, Voorhees, and McPherson had nothing to do with it. Senator Mills had taken the place of Senator Vance, who was sick. On Monday morning preceding the meeting of the Finance Committee, we were informed that a caucus of the Democratic members of the Senate was to be held, and that caucus was called by Mr. Gorman, who was chairman of the caucus. We went into the caucus, of course, as Democrats, Senator Jones and myself. Senator Mills never attended. We stated to the caucus what we had done. The caucus remained in session three days, and we were instructed, the members of the Finance Committee, to go back with our bill and readjust it so that it would be acceptable, if possible, to all the Democratic members.

We went into our committee room, and there appeared before us Senator Gorman, Senator Brice, Senator Hill, Senator Smith, of New Jersey, Senator Caffery, of Louisiana, and Senator White, now a justice of the Supreme Court, who was then in the Senate and had been appointed but had not taken his seat on the bench. The discussion was taken up at once on the sugar schedule as soon as we got there, and Senator Gorman, I think, stated that he was in favor, or he thought it would be right, to put an ad valorem duty of 40 per cent on sugars, with one-fourth differential on refined sugars. Caffery did the talking for the Louisiana side of the question—the producers. He combated the idea of an ad valorem duty. He went so far as to say that no ad valorem duty would be accepted by the producers at all, and he denied that he had ever agreed to any ad valorem duty.

Senator Gorman said that the understanding was between the Louisiana Senators and the balance of them that they should all act together, making an impression on me, and I think on all the committee, that they had an understanding that they would fix this duty to suit both the producers and the refiners, and they discussed that question, one affirming and the other denying. That went on for three quarters of an hour or an hour. The principal contention was sustained by Senator Gorman. Senator Brice may have said something, but I think he said he

did not care much about it, but he wanted the matter adjusted. That seemed to be his idea.

Senator Caffery was very emphatic and pronounced. Finally I got up and said: "Gentlemen, we came here under instructions of our caucus to hear any complaints that have been made and any suggestions. Now, it is evident to me that you gentlemen do not agree as to what you want, and that you have made an agreement to stand by each other as to the sugar schedule, and I do not want to be impolite—the committee does not want to be impolite—but if you will give us the committee room, we will make this schedule at once, as you do not seem to be able to agree among yourselves as to the tariff," or words to that effect.

They all got up then and went out, and we went back to work on this schedule and made it finally at 40 per cent ad valorem on all sugars, with one-eighth differential, as it is now in the bill. Of course, I do not know what passed between those gentlemen, except what they stated there to us. It seems they had conferences, I understood, and when they came in and made the proposition to the committee they disagreed about it themselves.

Senator LINDSAY. None of that party of gentlemen suggested or approved, so far as you know, the schedule that you reported?

Senator VEST. No, sir. The proposition, as I understood it from the refiners, was 33⅓ per cent ad valorem, and afterwards 40 per cent ad valorem and one-quarter differential. Mr. Havemeyer filed a paper with the committee, in which he asked 33⅓ per cent ad valorem on all sugars, with one-quarter differential. Afterwards the suggestion or demand, or whatever you might call it, was 40 per cent ad valorem and one-quarter differential, and that they could not live for less.

I never had a talk with Mr. Havemeyer about this schedule now in the bill. The only time I ever saw him was before we took up this sugar matter, and that was at my house, when he brought his samples. But I understood that this present duty in the bill was not at all agreeable to the refiners. They complained of it. I did not get that from them personally.

Senator LODGE. Mr. Searles testified as follows:

Mr. SEARLES. I had an interview with Senator Murphy, from our own State, in which I covered substantially the same ground with the same arguments, asking him to do what he could with members of the committee to secure an ad valorem tariff.

The CHAIRMAN. Was that after the rate in the present bill—the rate suggested by what is called the Senate amendments—had been adopted?

Mr. SEARLES. Prior to that.

Senator LODGE. What was his attitude in regard to it?

Mr. SEARLES. He stated that he did not understand the matter very well, but that he would gladly do what he could to secure proper action by the committee.

You did not mention his name as present on this occasion. Was he present?

Senator VEST. I do not think he was. My impression is that Senator Murphy was not there. I have stated the Senators who were there. There was Senator Gorman, Senator Brice, Senator Hill, Senator Smith, of New Jersey; Senator Caffery, and Senator White, now on the Supreme bench. The conversation was sustained by Senator Gorman and Senator Brice made a remark or two, but did not seem very much interested in the matter; but Senator Caffery, representing the producers, talked very energetically and emphatically. We were listeners. We sat there and heard, because we were instructed to go and hear what those gentlemen had to say, and make up a bill which would meet everybody's views.

Senator LINDSAY. Was Senator Caffery for specific duty?

Senator VEST. Yes, sir; from the beginning. He insisted that he had never agreed to an ad valorem duty. Senator Gorman, and possibly Senator Brice, said they had understood differently, and that they had agreed to take any sort of duty that a majority of these gentlemen would agree to. That is, as I understand it, they had made an agreement to have a sugar schedule which would be acceptable to the producers and refiners, and when they disagreed about the terms of their own agreement, then I was tired of the business and not in a very good humor, and I said: "Gentlemen, give us the committee room and we will take charge of this thing."

Senator DAVIS. Did any of these parties, on the occasion of this conference, present a draft of that schedule advocating his or their rate of duty?

Senator VEST. No, sir; I am certain they did not. Senator Gorman said, "Now, I think this would be right," and suggested ad valorem, and as soon as he suggested ad valorem Senator Caffery took issue with him and said the producers could not and would not stand an ad valorem; that they wanted a specific duty and tested by the polariscope, which he had put in the bill already.

The committee adjourned until Monday, June 18, 1894, at 11 o'clock a. m.

WASHINGTON, D. C., *June 18, 1894.*

The committee met pursuant to adjournment.

Present: The chairman (Senator Gray) and Senators Lindsay, Lodge, Davis, and Allen.

AFFIRMED STATEMENT OF SENATOR J. D. CAMERON.

Senator DAVIS. Are you a Senator of the United States from the State of Pennsylvania?

Senator CAMERON. I am.

Senator DAVIS. How long have you been such?

Senator CAMERON. Since 1877.

Senator DAVIS. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator CAMERON. Yes, sir; practically all the time.

Senator DAVIS. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company that was intended or calculated to affect its value?

Senator CAMERON. No, sir.

Senator DAVIS. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator CAMERON. Not a share.

Senator DAVIS. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator CAMERON. I have not.

Senator DAVIS. Has anyone bought or sold for your account, or in

your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place any such money to your credit?

Senator CAMERON. No, sir.

Senator DAVIS. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service been, to your knowledge, interested in any of the ways indicated in any of the preceding questions in any transaction in sugar stocks or certificates during the period mentioned?

Senator CAMERON. Not to my knowledge.

Senator DAVIS. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator CAMERON. Not that I know.

Senator DAVIS. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator CAMERON. Never.

SWORN STATEMENT OF SENATOR JOHNSON N. CAMDEN.

Senator DAVIS. Are you a Senator of the United States from the State of West Virginia?

Senator CAMDEN. I am.

Senator DAVIS. How long have you been such?

Senator CAMDEN. I have forgotten exactly when I did qualify. I think some time in February.

Senator DAVIS. Of the present year?

Senator CAMDEN. No, sir; a year ago.

Senator DAVIS. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator CAMDEN. I have. If you will excuse me, I have prepared a statement in order that I might explain one matter fully, and I will bring it in whenever you prefer.

Senator DAVIS. You can bring it in in answer to any question with which it seems to connect itself. I will repeat the question again. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator CAMDEN. I have.

Senator DAVIS. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator CAMDEN. Well, I expect I might as well make the statement now. While it is germane to that, it is not exactly in answer to it. I think, perhaps, it had just as well come in here.

Senator DAVIS. Very well; make your statement.

Senator CAMDEN. In the testimony of Senator Jones, chairman of the subcommittee on Finance, and of Messrs. Havemeyer and Terrell, an interview has been referred to as having taken place at my rooms, opposite the Arlington Hotel, which it is due to myself to explain in detail, and in doing so I will refer to the fact that pleasant and somewhat intimate relations have existed between Senator Jones and

myself for more than ten years, a large portion of which time we have served together in the Senate, and it has been no unusual thing to confer on matters of interest and importance. That after the report of the Senate Finance Committee had been made to the Senate, carrying with it its amendments to the Wilson bill, it became evident that some modifications and compromises would be necessary in order to pass the tariff bill through the Senate in any reasonable time.

One of the chief difficulties was the adjustment of the sugar schedule, which would be sufficiently liberal to justify the representatives of the sugar-producing interest and of the refining interest to vote for the bill, and in a general conversation with Senator Jones, in which I urged first, that the Democrats must pass a tariff bill, and second, that speedy action in the passage of the bill was of far more importance to the business interests of the country, and to the Democratic party, than shades of difference as to items making up the shedules, where duties had already been decided to be imposed upon given articles for revenue purposes, and that in my judgment such concessions ought to be made within reasonable limits as would unite the Democrats in the Senate in support of a bill, in view of the fact that it was extremely desirable that at least 43 Democratic votes should be cast for whatever bill should be passed.

The general situation was fully talked over from time to time, and Senator Jones expressed himself favorably to that view of the situation, and the duty of the committee, and the Senate, provided it could be done on the general lines of Democratic policy. At the same time Senator Jones stated to me that my business and personal relations in the Senate could be of service to the committee, and asked me if I would help him and other members of the committee in ascertaining and arriving at the real points of difference to be adjusted, which I readily consented to do.

I will state here, that as I understood the matter, whilst the sugar-producing interest and the refining interest had started out together with friendly relations in regard to the sugar schedule, that differences had soon after arisen in which the two interests became very far apart, and there was danger of serious antagonisms between the two interests which might endanger the bill from either one side or the other.

Soon after this conversation and understanding between Senator Jones and myself I happened in one of the committee rooms, in which Senator Jones was interrogating Mr. Searles (whom I did not know before that time), upon the process and particulars relating to the business of refining. Senator Jones nodded to me to take a seat, which I did, and listened to the questions of Senator Jones and the answers of Searles upon the subject. After he got through—it only occupied a few minutes—and Mr. Searles had left the room, Senator Jones turned to me and said that, whilst he was posted from his standpoint through the examination of reports, statistics, etc., he was very anxious to understand both sides fully and fairly, and to get reliable data and information from the refining interest side of the question, and that he was not at all satisfied with the explanations given by Mr. Searles.

In fact, Senator Jones was not at all pleased with the result of the interview, in which, of course, I had taken no part, but was simply listening. Senator Jones suggested that it would be a good thing for some one who was regarded as high authority in sugar matters to present to him, or to the committee, the facts they relied upon in order that he might judge for himself the merits of the conflicting claims. I replied that I had no doubt it could be brought about. I afterwards

repeated the conversation substantially, I think, to Senator Brice, or to some other person; but my present recollection is it was to Senator Brice. At any rate, through means of which I have no personal knowledge, Mr. Havemeyer came to Washington, and I was advised that Mr. Havemeyer was at the Arlington Hotel, and desired to appear before Mr. Jones or the subcommittee, and I so informed Senator Jones, and asked Senator Jones where he would prefer Mr. Havemeyer should see him. He replied, that if agreeable, he would meet Mr. Havemeyer at my rooms opposite the Arlington Hotel at 10 o'clock the next morning.

I then informed Mr. Terrell, with whom I had been personally acquainted for a very long time, perhaps as long as fifteen years, that if Mr. Havemeyer would call at my rooms at 10 o'clock the next morning he could see Senator Jones. Mr. Havemeyer did call with Mr. Terrell at about that time the next morning, and within a minute or two Senator Jones came in. There were present Senator Jones, myself, Mr. Terrell, Mr. Havemeyer, and possibly some other persons. My recollection is not distinct as to who were present. I attached no particular importance to the matter at the time, as I considered it the duty of a Senator, if he was to serve his country usefully, to get information from any source that came within his reach. Mr. Havemeyer brought with him a large sample case, containing small boxes of crude and refined sugars.

My recollection is that Mr. Havemeyer stated to Senator Jones that the crude sugar embraced samples of all the sugars grown in the world, and it made a most interesting exhibit, which Mr. Havemeyer explained in detail to Mr. Jones. No person took any part in the conversation except Mr. Jones and Mr. Havemeyer. I listened to all the conversation and felt interested in the explanations given. The chief point discussed was the fact that an ad valorem duty was the only fair duty that could be placed upon raw sugars, for the reason that there was a very great difference in the value of the sugars, and a uniform specific tax would at times prevent the purchase of certain grades of sugar and compel the purchase of other grades, whereas the markets should be left open to the purchase of any grade upon an ad valorem dutiable basis; that is, according to the value of the crude sugar.

Senator Jones then took up other practical questions of detail as to why a differential was necessary between the crude and refined, and, if necessary, to what extent. He also questioned him pointedly as to methods and cost of refining, and as to the yield of refined sugars from different kinds of raw sugar, and put many questions to Mr. Havemeyer, some of which were not answered to Mr. Jones's satisfaction. At any rate, in a short time Senator Jones bundled up his tables of statistics, calculations, etc., and remarked somewhat unceremoniously that he had given as much time to the matter as he could spare and must go to the Senate. Mr. Havemeyer and Mr. Terrell left at the same time or within a few minutes.

I never had a conversation myself with Mr. Havemeyer upon the subject of sugar other than perhaps a few casual remarks, and, to the best of my recollection, had never seen Mr. Havemeyer before his visit to Washington at that time; but it had been understood that Senator Jones would call at my rooms about 8 o'clock the evening before, which Mr. Jones afterwards concluded he could not do, but Mr. Havemeyer called for a few minutes and was informed that he could not see Mr. Jones until the next morning. He then left without any conversation with me about sugar. This was the first time I had seen Mr. Havemeyer

during his visit to Washington, and the second time was when he met Senator Jones at 10 o'clock the next morning. I was not a member of the Finance Committee, nor did I seek in any way to impress any views upon any member of the committee on that or any other subject. My whole object was to help the committee gain reliable information and to find a common ground on which all Democrats could stand.

I did have several talks with the Louisiana Senators, especially Senators Caffery and White, before Senator White accepted the office of associate justice, and in conversations with them, as my colleagues in the Senate, I urged upon them the necessity of some amicable arrangement, and that they must expect to make some sacrifices and concessions in order to make the passage of a Democratic tariff bill possible, and as Democrats they could not afford to stand in the way of any measure that would give reasonable recognition to the great sugar interests they represented, and that they ought not to hope to get all they wanted.

This, as far as I recollect it, is a full explanation of the interview at my rooms, which, I will add, in my view, was only fulfilling the representative duty of a Senator, who is presumed to legislate in the interest of the whole country, to see and confer with any persons whose interests are to be affected by legislation. With this view I had no hesitation in meeting anyone who called to see me. I met the representatives of the domestic cigar interests of my State and presented data which induced the committee to modify the tax on domestic cigars. I also met and conferred with the sheet-iron interests of my State, and the facts that they presented induced the committee to make some changes which were unimportant to the schedule, but important to the different parts and grades of the articles manufactured. I also met with the coal men from my State and discussed that matter, and will add that I think my views on that subject were never very satisfactory to most of the representatives of that interest.

I have a personal interest in coal in West Virginia, but the interest I represent in that is, in my judgment, in no wise affected by the tariff. The geographical location of the coal section in which I am interested does not come into competition in any way with the coal that would be shipped in from Nova Scotia to the Eastern seaboard, and therefore could not influence either my judgment or interests in that question. I have no interest in tobacco or cigars, or iron mills, or, manufactures of any kind affected by tariff legislation, nor in sugar, or, so far as I know, in any other special interest affected by tariff legislation except lumber. I have, perhaps, a larger interest in lumber than in any other thing affected by the present tariff bill, but I consented to have lumber put wholly upon the free list, where it now stands.

I very rarely deal in stock of any kind, and I have not speculated in sugar stocks nor bought or sold sugar stocks, nor have I been interested in the same, either directly or indirectly, since the meeting of this session of Congress.

Senator DAVIS. That answer may not possibly be held to cover the question in response to which it was given, and I will read it again.

Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator CAMDEN. No.

Senator DAVIS. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator CAMDEN. No.

Senator DAVIS. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stocks or certificates?

Senator CAMDEN. No.

Senator DAVIS. Has anyone bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place any such money to your credit?

Senator CAMDEN. No.

Senator DAVIS. Has any member of your family or any person in your employ, or any clerk employed under the laws of the United States in your service been, to your knowledge, interested in any of the ways indicated in any of the preceding questions in any transaction in sugar stocks or certificates during the period mentioned?

Senator CAMDEN. Not to my knowledge.

Senator DAVIS. Have you, or has any member of your family or any such clerk owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator CAMDEN. Not to my knowledge.

Senator DAVIS. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator CAMDEN. No.

Senator DAVIS. In your statement you refer to the representatives of the sugar-producing interest whose vote it was necessary to obtain. Whom do you mean by such representatives?

Senator CAMDEN. I mean, in a general way, the Louisiana Senators and one or both of the California Senators. I do not speak from personal knowledge of what they would or would not have done. Of course they contended for a tariff on sugar and were very firm in their demands in the interests of their constituents.

Senator DAVIS. In the same sentence in that statement you refer to the sugar-refining interests whose vote it would be necessary to obtain. Whom do you mean by that expression?

Senator CAMDEN. That, perhaps, was not the expression I should have used. I do not know of any representatives of the sugar-refining interests, but I referred to the fact that there were certain Senators who claimed that there should be a modification of that schedule and other schedules in which their constituents were interested.

Senator DAVIS. What were the names of those Senators?

Senator CAMDEN. In a general way, it was understood that Senator Murphy, Senator Smith, Senator Hill, perhaps, and perhaps other Senators were not favorable to the bill. In other words, they required some modifications to be made in certain portions of the bill before it would receive their approbation.

Senator DAVIS. Protection to the sugar-refining interest?

Senator CAMDEN. Not especially. That was one of the group.

Senator DAVIS. One of the group representing those views?

Senator CAMDEN. Yes; one of the group of modifications.

Senator LODGE. Were there any other Senators besides those you have named?

Senator CAMDEN. I speak of those in a general way. What names did I mention?

Senator LODGE. Senator Murphy, Senator Smith, Senator Hill, and perhaps other Senators.

Senator CAMDEN. Perhaps Senators Brice and Gorman. I could not speak of any particular Senators within my knowledge demanding any particular thing, but it was known that they were dissatisfied with the bill, and unless some concessions were made to important schedules that it was likely the bill would not receive their support. In other words, there were some Senators designated as conservatives by the newspapers. I do not pretend to speak with any personal knowledge or to know anything about what those Senators would have done.

Senator DAVIS. In which of the committee rooms did the conference with Mr. Searles and Senator Jones take place?

Senator CAMDEN. My impression is it was in the committee room on Public Printing, or in Senator Jones's committee room.

Senator DAVIS. Who was present besides those two and yourself?

Senator CAMDEN. No one. I went into the committee room and found Senator Jones and Mr. Searles in the rear room.

Senator DAVIS. This conference took place before Mr. Havemeyer came to Washington from New York?

Senator CAMDEN. Yes.

Senator DAVIS. How long before, do you think?

Senator CAMDEN. I should think it was three or four days; I do not know exactly.

Senator DAVIS. When did he come here, as near as you can state?

Senator CAMDEN. I have no recollection of particular dates. It was between the time that the bill was reported to the Senate by the Finance Committee and the time that the bulk of the amendments to the bill were reported to the Senate.

Senator DAVIS. It was between those dates?

Senator CAMDEN. Between those dates.

Senator DAVIS. How long before the conference between Senator Jones and Mr. Havemeyer at your room was it that Mr. Havemeyer came from New York?

Senator CAMDEN. I did not charge my mind with it and, in fact, I don't think I know.

Senator DAVIS. I simply want to get the proper relation of this more than anything else.

Senator CAMDEN. I did not charge my memory with any of those dates, and without referring to something I could not tell, and I do not know that I have anything to refer to.

Senator DAVIS. In your efforts to impress upon the Louisiana Senators the necessity of concessions which you speak of in your statement, those were concessions upon the sugar question, were they not?

Senator CAMDEN. Concessions as to their demands for the protection of their own people.

Senator DAVIS. What did they demand which you wished them to make concessions from?

Senator CAMDEN. I do not think there were any special demands.

Senator DAVIS. For instance, at that time they were demanding a specific duty, were they not?

Senator CAMDEN. I do not know that they were specially. I think they were, though; a specific duty of 1½ cents, my recollection is.

Senator DAVIS. And the sugar-refining interests were objecting to that, and demanding an ad valorem duty, were they not?

Senator CAMDEN. So far as I know the refining interests were in favor of an ad valorem duty all the time, and that for a time the producing interests were willing, but they wanted a higher ad valorem.

Senator DAVIS. Did not Mr. Havemeyer, in his conference with Senator Jones, fully explain his reasons for preferring an ad valorem to a specific duty?

Senator CAMDEN. Yes.

Senator DAVIS. Was not the specific duty the main point in his objection to the bill as it came from the House in his conference with Senator Jones?

Senator CAMDEN. It was certainly one of the strong points he was urging, and the explanation was that if a specific duty were of the same amount; for instance, a cent or a cent and a fraction were placed alike on all crude sugars, some of which might not be worth more than 1¾ cents, and other grades more than that, we will say, for illustration, 3 cents or 2¾ cents, that it would compel at times, or prevent, rather, at times, the purchase of certain grades and compel the purchase of other grades, whereas the duty ought to be so as to leave the markets open to the choice of the purchasers upon an ad valorem basis of the value of the sugars. That was the strong point he was making.

Senator DAVIS. Was not the substance of your advice to the Louisiana Senators that they make concessions, that they should concede or recede from the stand that they had taken as to the specific duty, and accede to an ad valorem duty?

Senator CAMDEN. No; I never indicated nor had anything more to urge than as Democrats. I may say that I am a Democrat, and both those Senators are Democrats.

Senator DAVIS. What was it?

Senator CAMDEN. It was that a common point should be reached in some way by which the whole subject could be adjusted. I knew very little about the sugar schedule. I did not know whether it should be ad valorem or specific duty, and I do not think the question of ad valorem duty was ever discussed between the Louisiana Senators and myself. If it was it was only incidental, and not in the way of making any point on it.

Senator DAVIS. Do you know whether Mr. Havemeyer or any other person representing the sugar trust ever had any conference with either of the Louisiana Senators?

Senator CAMDEN. I do not from my own knowledge.

Senator DAVIS. Did you, in any of your conferences with those Senators or any other Senator represent, or rather state what Mr. Havemeyer's views were upon the questions you have heard him discuss?

Senator CAMDEN. No; I never did, for the reason that my conversations were not conferences, but were mere conversations in the Senate chamber, and they told me their troubles about it. One was the disagreement as to the extent of the duty and the question whether it should be ad valorem or specific.

Senator DAVIS. Disagreement between whom?

Senator CAMDEN. Between the sugar refining interests and the crude interests or the producers.

Senator DAVIS. Whom do you mean by "they;" that the Louisiana Senators told you this?

Senator CAMDEN. You must bear in mind that there was no actual conference with the view of convincing anyone about anything of that kind. Those things were alluded to in a general way, and they were simply alluded to in a general way.

Senator DAVIS. Awhile ago you used the expression "they," I want to know whom you alluded to by "they?"

Senator CAMDEN. Senator Caffery and Senator White; Senator

White, before he was on the bench. After Mr. Blanchard came in, I do not think I had much to say on the subject.

Senator DAVIS. What did they tell you those points of difference were?

Senator CAMDEN. I never entered into details as to the particular points of difference.

Senator DAVIS. In general, what did they say those points were?

Senator CAMDEN. In general, that they preferred a specific duty, and if they had to take an ad valorem duty they wanted higher ad valorem duties than the one about which they were talking of agreeing.

Senator DAVIS. Whom did they say preferred the ad valorem duty?

Senator CAMDEN. The refining interest preferred the ad valorem duty.

Sevator DAVIS. And as to each duty there was a difference of opinion as to the rate?

Senator CAMDEN. As to the rate, yes; I think I can state in a general way that it was understood that the refining interest did not care what the rate was, whether it was 25 or 30, or 35 or 40, or any other rate, so it was an ad valorem duty, and the producers wanted not less than 45 per cent.

SWORN STATEMENT OF SENATOR A. P. GORMAN.

Senator DAVIS. Are you a Senator of the United States from the State of Maryland?

Senator GORMAN. I am.

Senator DAVIS. How long have you been such?

Senator GORMAN.

Senator DAVIS. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator GORMAN. I have, except the past two weeks.

Senator DAVIS. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator GORMAN. I have not.

Senator DAVIS. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator GORMAN. I have not.

Senator DAVIS. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale, of said stocks or certificates?

Senator GORMAN. I have not.

Senator DAVIS. Has anyone bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place any such money to your credit?

Senator GORMAN. I have not.

Senator DAVIS. Has any member of your family or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of

the ways indicated in any of the preceding questions in any transaction in sugar stocks or certificates during the period mentioned?

Senator GORMAN. No, sir.

Senator DAVIS. Have you or has any member of your family or any such clerk owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator GORMAN. No, sir.

Senator DAVIS. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator GORMAN. No, sir; in no way whatever.

Senator DAVIS. Do you know Mr. Terrell, whose name has been mentioned in connection with this investigation?

Senator GORMAN. I do; very well.

Senator DAVIS. How long have you known him?

Senator GORMAN. I should say five or six years?

Senator DAVIS. During the pendency of the present tariff bill in the Senate have you had any conference with Mr. Terrell on the subject of the sugar schedule?

Senator GORMAN. Yes; he has talked to me three or four times. I can not give you the exact number, but several times.

Senator DAVIS. When, first, did they begin, and where?

Senator GORMAN. Always here in Washington. The date when he first came here I can not give you, but I should think it was about the time that the Committee on Finance was considering the bill, and before their first report was, I think, about the first time I saw him.

Senator DAVIS. Where was this conference?

Senator GORMAN. He called to see me.

Senator DAVIS. At your house?

Senator GORMAN. I think so; that is my impression.

Senator DAVIS. State what was said by him or you on that occasion.

Senator GORMAN. He made the conversation, especially about the sugar business, as I understand it. He was interested in other matters, and as was his habit the past four years, he called to see me and talked generally about it. I think that is the best of my recollection. At that time he also talked about the sugar schedule among other items of the bill, and it was generally on the line that injustice had been done them in the shape in which the bill came from the House, and my belief is he was advocating that the bill should be restored to the condition it was in when the Committee on Ways and Means of the House reported it to the House.

Senator DAVIS. In what condition do you understand that to be?

Senator GORMAN. That was that the raw sugars should be free and a duty of one quarter of a cent a pound on the refined, and that is about the line of his talk to me. I, of course, could not give the conversation in detail, because I did not charge my mind with it.

Senator DAVIS. In what did he state that the injustice of which he complained consisted?

Senator GORMAN. It was in this great business enterprise the discrimination was made against him, different from that of any other manufactured article in the bill. It was put upon the free list, and it would destroy the refining interest of this country.

Senator DAVIS. Did he assert any views as to whether the duty should be specific or ad valorem?

Senator GORMAN. That, as I say, was specific, the duty he talked to me about on the refined. As I recollect, he did not discuss with me

any duty upon the raw at all, but his view, as I remember it, was that they would like to have the provision restored to what it was when the bill was reported to the House.

Senator DAVIS. That was about all that took place then?

Senator GORMAN. That was about all that took place then.

Senator DAVIS. Where and when did you next see him?

Senator GORMAN. It is impossible for me to say, but it was somewhere here in Washington. He came across me accidentally. He called to see me, whether at my house or the Capitol I do not recall.

Senator DAVIS. State, as briefly as you can, the substance of that conversation.

Senator GORMAN. It was all the same purport, until he reached the point where it was understood, and so published, that the Committee on Finance of the Senate had agreed upon the specific duty on the raw, and then, as I remember, went on to try and show me that that was very unfair to the refining interest and would operate disastrously all around, because the duty was not uniform, the higher rate of duty would be upon the low grades of sugar, and therefore it operated unjustly. That was about the purport of all his conversation after the action of the committee was understood to be public.

Senator DAVIS. When and where did you next see him?

Senator GORMAN. I can not separate the two or three interviews, wherever they were. I can not recall the exact interviews, but they were all to that effect and nothing beyond tnat.

Senator DAVIS. The interviews were three or four in number?

Senator GORMAN. I think so. I will not be positive about it. There may have been two, and maybe four. I think I met him accidentally, on the street possibly.

Senator DAVIS. Do you know Mr. H. O. Havemeyer?

Senator GORMAN. I met Mr. Havemeyer here about the same time. I never saw him until then.

Senator DAVIS. Did Mr. Havemeyer call upon you in this city?

Senator GORMAN. He did.

Senator DAVIS. At your house?

Senator GORMAN. At my house.

Senator DAVIS. Did you have a conference with him on the sugar question?

Senator GORMAN. Yes, sir.

Senator DAVIS. About when was this?

Senator GORMAN. My impression is that it was a few days after the conference of the Democratic Senators. The Committee on Finance—I can not give you the date——

Senator DAVIS. Allow me to interrupt you there. A few days after the conference of Democratic Senators, after the committee had reported the bill to the Democratic caucus?

Senator GORMAN. The Committee on Finance considered the bill a few days before they reported it, or when it was supposed they were reporting it a conference of the Democratic Senators was called upon the request in writing of a sufficient number of Democrats to me, as chairman of the caucus. I thereupon called the caucus. We had a conference lasting three days. Of course, not the whole time was consumed in the conference, but the better part of it was.

Senator DAVIS. I am now trying to fix your first interview with Mr. Havemeyer.

Senator GORMAN. That is what I want to do. I prefer to do it that way, so that you may have the exact state of the case. That conference

lasted the better part of three days, at the end of which the Committee on Finance resumed the consideration of the bill.

Now, it was immediately after that, if my recollection serves me, that Mr. Havemeyer came here, as did the representatives of all sorts of interests. The newspapers had given the impression to the public that the bill was being considered again, and being considered by the caucus, and being chairman of it, naturally, and to my very great inconvenience, everybody—I say everybody, but I mean a great number of gentlemen who had interests in the bill—came to see me; among them, Mr. Havemeyer.

Senator DAVIS. What was said by Mr. Havemeyer and yourself on occasion when he first came to you?

Senator GORMAN. He went on to explain to me the condition of his particular business, the sugar interest, and to show that they had been unfairly dealt with, or were about to be, and that he ought to have a duty on the refined article of one-quarter of a cent a pound, essentially as it was reported to the House by the Committee on Ways and Means, and any duty upon the raw article other than ad valorem duty would operate very unjustly to the American interest. He did not advocate, however, any duty upon the raw sugars. He referred to the bill as reported to the House. But upon that he did not insist, and did not attempt to go beyond the point of having a fair duty, as he called it, levied upon the refined article.

Senator DAVIS. He objected, did he not, very strenuously to any specific duty?

Senator GORMAN. He did. He said it was unfair and operated badly; unequal; made the low-grade sugar pay a higher rate of duty than the better grades, and would have a tendency to destroy our commerce with the countries south of us.

Senator DAVIS. Did he illustrate these views by exhibiting his samples of sugar?

Senator GORMAN. Yes, sir; but he did not at that interview. He did not have those samples of sugar when he first came to see me about it.

Senator DAVIS. Where was it that he showed his samples?

Senator GORMAN. I do not think he showed me any samples of sugar. I am not positive about that, but he explained the different grades of sugar.

Senator DAVIS. How many interviews did you have with Mr. Havemeyer, or have you had with him, on this subject?

Senator GORMAN. I think two.

Senator DAVIS. Do you remember where the next one was?

Senator GORMAN. At my house; I think he called there twice. That is my recollection.

Senator DAVIS. Was the same subject gone over?

Senator GORMAN. The same thing.

Senator DAVIS. Pretty much the same thing?

Senator GORMAN. Yes, sir; nothing beyond that, and nothing more than that.

Senator DAVIS. Was anybody else present at any of these interviews except yourself and Mr. Havemeyer?

Senator GORMAN. No, sir; I think he called at my house in the morning before I came to the Capitol.

Senator LODGE. Did he say anything to you about campaign contributions?

Senator GORMAN. Nothing whatever. I never said anything to Mr. Havemeyer about campaign contributions. I never saw him until then.

Senator DAVIS. Do you know Mr. Searles, the treasurer of the sugar trust, so called?

Senator GORMAN. Yes, sir; I have known Mr. Searles—well, I think probably the first time I saw Mr. Searles was when the tariff bill of 1883 was up. I talked with him then and frequently since.

Senator DAVIS. Was he here in the interest of the sugar refining business?

Senator GORMAN. I so understood; he seemed to have no other business here.

Senator DAVIS. He has been in Washington almost continuously, has he not, since the tariff bill came over from the House this year?

Senator GORMAN. I can not answer that. I have seen him here three or four times. I have seen him on the street and saw him about the Capitol.

Senator DAVIS. Have you had any conference with Mr. Searles during the pendency of this bill?

Senator GORMAN. Yes, sir.

Senator DAVIS. How many?

Senator GORMAN. I saw him at the Capitol here with Senator Jones and went through the details about the calculations of the sugar.

Senator DAVIS. Whereabouts in this Capitol was the conference?

Senator GORMAN. In one of the committee rooms here.

Senator DAVIS. Which one?

Senator GORMAN. I do not remember now.

Senator DAVIS. The committee room on printing?

Senator GORMAN. I think so; probably that.

Senator DAVIS. Was Senator Camden present; is that your recollection?

Senator GORMAN. Yes, sir; Senator Jones, Senator Camden, and myself. I do not think there was anybody else.

Senator ALLEN. Let me ask you if that was on the Sabbath day?

Senator GORMAN. Oh, no, sir; it was on a week day.

Senator ALLEN. This article of May 14, published in the Philadelphia Press, speaks about a meeting that was held on the Sabbath day; held in the Finance Committee room.

Senator GORMAN. No, sir; I never attended such a meeting, never knew of it, and never heard of it. I heard the statement in the public prints, but outside of that I never heard of it.

Senator DAVIS. Did Mr. Searles in the conference that took place in the room of the Committee on Printing with Senator Jones, when you and Senator Camden were present, discuss this question of the sugar schedule?

Senator GORMAN. There had been quite a controversy among all the gentlemen who were specially charged with the framing of the bill, particularly about that amendment as affecting certain rates of duty, and I think there was a wide difference of opinion whether the ad valorem rate of 40 per cent gave the refiners any advantage over the raw material, in addition to the specific tax, and as I recall it, nobody was satisfied with the figuring of each other, and Mr. Searles was telephoned for to meet Senator Jones, who had special charge of that schedule and who was very well posted upon the figures, and they simply discussed figures and tried to ascertain exactly what would be the operation of the schedule based on 40 per cent and one-eighth differential; and Senator Camden and I were in there and listened to the conversation or discussion, and we had the figures made by both Senator Jones and Mr. Searles, and the result of it was that they did not

agree altogether, but nearly so, as I remember. There was nothing else in the interview.

Senator DAVIS. What was the particular point of difference between Senator Jones and Mr. Searles, as you remember it?

Senator GORMAN. The thing boiled down in a nut shell was the cost of raw sugars on the other side.

Senator DAVIS. The question of ad valorem and specific rates was at the bottom of the difficulty, was it not?

Senator GORMAN. Yes, sir; it was.

Senator DAVIS. Mr. Searles advocating an ad valorem rate and insisting upon it, was he not?

Senator GORMAN. Yes, sir.

Senator DAVIS. And trying to convince Senator Jones?

Senator GORMAN. Trying to convince Senator Jones that a specific duty was altogether wrong and would operate badly to the interests of the country and his refining interest particularly.

Senator DAVIS. I do not remember how many times you stated you had seen Mr. Searles on this business?

Senator GORMAN. I think Mr. Searles met me on the street once afterwards. He spoke to me half a dozen times on the street, as far as I know, but there was no special interview about it.

Senator DAVIS. That was all?

Senator GORMAN. That was all.

Senator DAVIS. When was this conversation in the room of the Committee on Printing?

Senator GORMAN. It was during the time between the general conference of the Democrats and the reporting of the bill.

Senator LODGE. Which bill do you refer to?

Senator GORMAN. I mean the first report that the committee made, but exactly when that is I can not give you.

Senator LODGE. I do not expect it. I merely want to connect one event in relation to another. About how long was it before the bill was reported that this conference in the room of the Committee on Printing took place?

Senator GORMAN. I should think a week; that is my recollection; four days or a week.

Senator LODGE. Did you favor the ad valorem rate?

Senator GORMAN. I did.

Senator ALLEN. Did either Mr. Havemeyer or Mr. Searles or any other person connected with the sugar trust ever intimate to you that the Democratic party was under obligation to them for contributions to the campaign fund of 1892?

Senator GORMAN. Never at any time, in any shape or form.

Senator ALLEN. And you know of no obligation existing upon the part of the Democratic party to that company?

Senator GORMAN. None whatever. I never saw Mr. Havemeyer until he was here in Washington, and with the exception of Mr. Searles I do not think I knew anybody connected with the trust.

Senator ALLEN. You know of no contributions of either of them, or any contributions that the company made?

Senator GORMAN. None whatever.

Senator ALLEN. And you know of neither moral nor pecuniary obligation upon the part of the Democratic party existing to these men?

Senator GORMAN. Not the slightest. I have no knowledge of it in any shape or form. I never knew of any contributions being made to the Democratic committee while I was connected with it, and I have

been connected with it a great many years. Still, at the same time, I have not been a collector for the committee and know nothing about it. The whole consideration of this matter was upon the highest possible plane, so far as I know, without any regard to the interest of any particular individual. It was on a line with the narrow margin that the Democrats have in the Senate, to perfect the bill, so that we might be united and pass it, and such a bill that came as near as possible to the obligations of the party. It was considered in that way, as honorable men representing the great party would naturally consider the bill, with a due regard to the matter, of course, of the interest involved, careful not to destroy any, and yet at the same time to make the tax as light as possible upon the people of the country.

Senator ALLEN. In none of the conversations or interviews with the representatives of the sugar trust of which you have any knowledge was there any mercenary consideration taken into account or considered?

Senator GORMAN. As a matter of course not; not with this interest or any other that was affected by the tariff.

Senator ALLEN. The article in the Philadelphia Press of May 14 probably implies, more than expresses, that these interviews were actuated by mercenary considerations. Therefore I asked these questions.

Senator GORMAN. Yes, sir. There is one thing in this article in the Press to which I want to call the attention of the committee.

Senator DAVIS. Anything that occurs to you that you desire to state.

Senator GORMAN. Yes, sir. I saw that they used my name in connection with Mr. Elkins's. I want to say in regard to this statement that this gentleman made—I do not think I know him—that Mr. Stephen B. Elkins, as I recall the statement, and you can correct me if I am wrong, introduced me to some of these sugar-trust people and in that way I became acquainted with them, and further, that the relations between Mr. Elkins and myself were close because he had married a relative of mine.

I want to say to the committee that the only word of truth in that statement is that Mr. Elkins did marry a relative of mine. Mr. Elkins is a very pronounced party man of the Republican party and I am a Democrat, and he has never discussed the matter of sugar with me, nor any other item in this bill probably, except the one that he is specially interested in, and that is coal. But so far as this sugar business is concerned he has never named it to me in any shape or form.

I want to say that he never introduced me to this gentleman. I knew Mr. Elkins to be a pronounced Republican and I assumed, as I had a right to do, that he was very hostile to this bill, and his brother Republicans were very anxious to defeat it, and I was very anxious to to pass it in the best form we could get it. Therefore we have never entered into any discussion about the matter.

Senator ALLEN. The only statement of truth, then, in this article of this correspondent is the mere fact of the relationship by marriage?

Senator GORMAN. Yes, sir; he married a second cousin of mine. With that exception there is not a grain of truth in it.

Senator DAVIS. The statement of the witness Edwards, concerning which you have just testified, appears to be this:

Brice was associated with them through friendly alliances, and particularly through his friend, H. L. Terrell, of Cleveland, "Brice's Terrell," as they called him, and Mr. Gorman was brought into close association with them, and by another agency which it may be well at present not to reveal.

Senator DAVIS. That is the newspaper extract?

Senator GORMAN. Yes, sir.

Senator DAVIS:

What agency was that?

Mr. EDWARDS. Would you like to know what agency that was?

The CHAIRMAN. Yes.

Mr. EDWARDS. I would like to be frank and say to the committee that I refer to Stephen B. Elkins.

The CHAIRMAN. That is the agency you refer to there?

Mr. EDWARDS. Yes; by common report.

The CHAIRMAN. Do you know of your own knowledge that Mr. Gorman was brought into close association with the sugar people through Mr. Elkins?

Mr. EDWARDS. Not if you put that question to me in a legal sense.

The CHAIRMAN. In what sense, then?

Mr. EDWARDS. It is common understanding that Mr. Elkins and Mr. Gorman, being relatives by marriage, having had very great business interests in common, their relations had been very close. That is a matter of common report. In that sense I know it; not from individual knowledge.

The CHAIRMAN. Is it from that fact that you inferred that Mr. Gorman was brought into relations with the sugar trust and Mr. Elkins had relations with the sugar trust?

Mr. EDWARDS. From the fact that it is a matter of common report that Mr. Elkins is interested in the sugar trust.

The CHAIRMAN. Is your statement based upon any other information than common report?

Mr. EDWARDS. No; not from personal knowledge.

The CHAIRMAN. So far as your information goes, is it founded upon the common report of the relationship of these two gentlemen?

Mr. EDWARDS. My personal information is that it is founded upon common report.

Is that the statement concerning which you wish your testimony just given to apply?

Senator GORMAN. It is.

Senator DAVIS. I see there something about having very great business interests in common?

Senator GORMAN. I want to make it very emphatic that Mr. Elkins has never discussed with me the sugar schedule or anything in relation to it; that he never brought me into relation with anybody connected with the sugar trust or sugar interest. My connection with him in business interests is that I happened to be a small stockholder in two or three companies in which he is a large one. My personal relations with him are very pleasant. Our politics, as I have before stated, are the very opposite.

Senator DAVIS. These companies have no relation to the sugar interest?

Senator GORMAN. Nothing whatever.

SWORN STATEMENT OF SENATOR JOHN L. M. IRBY.

Senator DAVIS. Are you a Senator of the United States from the State of South Carolina?

Senator IRBY. I am.

Senator DAVIS. How long have you been such?

Senator IRBY. Since March, 1891.

Senator DAVIS. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator IRBY. I have.

Senator DAVIS. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator IRBY. I have not.

Senator DAVIS. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator IRBY. I have not; not only since Congress, but never in my life. I never bought stock of any sort in my life.

Senator DAVIS. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stocks or certificates?

Senator IRBY. I have not.

Senator DAVIS. Has anyone bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of said stocks, or promised or agreed to place such money to your credit?

Senator IRBY. No.

Senator DAVIS. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions in any transaction in sugar stocks or certificates during the period mentioned?

Senator IRBY. No, sir.

Senator DAVIS. Have you, or has any member of your family or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator IRBY. I think I may safely answer that no one connected with me that I know of owns any of them. I do not own any of them.

Senator DAVIS. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator IRBY. No.

SWORN STATEMENT OF SENATOR WILLIAM D. WASHBURN.

The CHAIRMAN. Are you a Senator of the United States from the State of Minnesota?

Senator WASHBURN. Yes, sir.

The CHAIRMAN. How long have you been such?

Senator WASHBURN. Since 1889.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator WASHBURN. I have.

The CHAIRMLN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator WASHBURN. I have not.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator WASHBURN. I have not during this session, or in my life.

The CHAIRMAN. Have you been concerned with anyone in interest,

direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stocks or certificates?

Senator WASHBURN. I have not.

The CHAIRMAN. Has anyone bought or sold for your account or in your interest any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator WASHBURN. Never.

The CHAIRMAN. Has any member of your family or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions in any transactions in sugar stocks or certificates during the period mentioned?

Senator WASHBURN. No, sir.

The CHAIRMAN. Have you, or has any member of your family or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator WASHBURN. No, sir.

The CHAIRMAN. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator WASHBURN. No.

SWORN TESTIMONY OF EDWARD C. HOWLAND.

The CHAIRMAN. Mr. Howland, on Saturday, when Senator Ransom was before the committee and was asked whether any member of his family had dealt in sugar stocks in any way, or speculated in them, he said that he had no knowledge of any such thing until last Friday when he had an interview with you at the Metropolitan Hotel, when he discovered for the first time that his son, George Ransom, had been engaged in some operations in so called sugar stock. Will you be kind enough to tell the committee what you know about the interview to which he alluded.

Mr. HOWLAND. Yes, sir. That was on Thursday night. I was directed by the editor of the New York Press to call upon Mr. Ransom. I called upon the Senator and informed him that the Press had in its possession photograph copies of the stock sheets—I suppose you call them—the form used by the firm to record the day's business——

The CHAIRMAN. What firm?

Mr. HOWLAND. The sheets were from the firm of Silsby & Co., of this city. Each of the three sheets of which the Press had copies contained the name of Ransom, the kind of stock dealt in, and the result of the transaction. I said to the Senator that the New York Press did not wish to make any publication without giving him the opportunity for explanation or denial.

The CHAIRMAN. Did you see the sheets or photograph copies of them?

Mr. HOWLAND. I have seen one of them; yes.

The CHAIRMAN. Do you mean that they showed Senator Ransom's name with his initials, or just "Ransom?"

Mr. HOWLAND. Just "Ransom."

The CHAIRMAN. You mean that they just showed the name "Ransom" without any initials.

Mr. HOWLAND. Yes; that is what I mean. I made this statement to Mr. Ransom, as instructed. He then denied in the most emphatic terms that he had dealt in sugar stocks; that he knew no broker in the city of Washington. In every possible way he denied the story in the most positive terms. I repeated to him the statement that the Press had these sheets in its possession, and he repeated again his denial. Remembering that the name upon the sheets was simply that of "Ransom" with no initials, I asked the Senator whether he knew of any other Ransom in Washington. He said that he did not, but then recollecting himself, I suppose, he said his son was here, Mr. George Ransom, who was clerk to the Commerce Committee of the Senate. He said that his son was just outside the door of the room where we were talking, and that he would call him in. He said that he was in the parlor talking with some ladies, where he had left them when he received my card. As he stepped to the door he suggested that I go with him so as to make sure that there was no communication between himself and his son. I did not consider that necessary and I did not do it. The Senator returned at once with his son, and told him to answer any questions I might ask him and tell me everything. There was nothing to indicate that the son knew what that instruction meant, that is, that he knew what I was going to ask him to tell. So I asked young Mr. Ransom whether he had had any dealings in stocks in Washington. He said that he had. He then, in answer to my question, in the course of which the Senator interjected the statement that I had called to see him because of the story that he, the Senator, had been dealing in stocks, and gave a detailed account, apparently with some effort of memory, of all the transactions of which I knew the Press to have a record. He explained that they had been made by himself without his father's knowledge.

The CHAIRMAN. What sort of transactions were they, the character of them?

Mr. HOWLAND. I would not undertake to repeat in detail from memory exactly.

The CHAIRMAN. Large or small?

Mr. HOWLAND. They were small. One, I recollect, was an investment of $10 in sugar stock. Another was an investment of $25 in June cotton, and there were, I believe, two other investments in sugar of something like $20 each.

Senator Ransom, in making his denial, said that all the speculation he had ever done in Washington was in cotton. I do not know that he said speculating in cotton, but that all inquiries he had ever made about any speculating material of that kind had been through the telephone in the office of the Sergeant-at-Arms in the Senate. He said there was a telephone in there, and that he had sent down town by it very frequently to inquire the prices of cotton.

The CHAIRMAN. Did he tell you that he was a large producer of cotton?

Mr. HOWLAND. Yes, sir.

Senator ALLEN. As I understand, his inquiries about cotton were simply to keep track of the price of cotton as a producer of cotton naturally would?

Mr. HOWLAND. I inferred that from what he said.

The CHAIRMAN. On those sheets you had were there the names of any other Senators?

Mr. HOWLAND. No, sir.

Senator ALLEN. There was nothing in what Senator Ransom said to

you that indicated that he was a speculator in cotton stocks on the stock exchange, was there?

Mr. HOWLAND. No, sir; that he was or was not.

Senator ALLEN. There was nothing to indicate one way or the other? Did you observe on these lists of Silsby & Co. the names of any Senators' clerks or any person in the employment of any United States Senator, other than George Ransom?

Mr. HOWLAND. My recollection is that the name of Barnes appears here.

The CHAIRMAN. He is a messenger, is he not, to Senator Ransom's committee, the Committee on Commerce?

Mr. HOWLAND. I believe he is the messenger. His name is Barnes.

The CHAIRMAN. So Senator Ransom testified on Saturday that Barnes had been interested with George Ransom in one or two of those purchases, or had made purchases at the same time?

Mr. HOWLAND. So the young man stated to me.

The CHAIRMAN. Was the name of any other clerk or employé of a Senator on the list, so far as you know?

Mr. HOWLAND. I think not.

Senator ALLEN. You are satisfied, are you not, from your inquiries, that young Ransom's speculation was entirely upon his own responsibility and without the knowledge of his father?

Mr. HOWLAND. I have no evidence to the contrary.

SWORN STATEMENT OF SENATOR PATRICK WALSH.

The CHAIRMAN. Are you a Senator of the United States from the State of Georgia?

Senator WALSH. Yes, sir.

The CHAIRMAN. How long have you been such?

Senator WALSH. Since the 9th of April, this year.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator WALSH. Yes, sir.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator WALSH. No.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator WALSH. No.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operations, whether by purchase or sale, of said stocks or certificates?

Senator WALSH. No.

The CHAIRMAN. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in said stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator WALSH. No.

The CHAIRMAN. Has any member of your family or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator WALSH. No.

The CHAIRMAN. Have you, or has any member of your family, or such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator WALSH. No.

The CHAIRMAN. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator WALSH. No.

WASHINGTON, D. C., *June 19, 1894.*

The committee met pursuant to adjournment.

Present: The chairman (Senator Gray), Senators Lindsay, Davis, and Allen.

SWORN TESTIMONY OF GEORGE W. SILSBY.

The CHAIRMAN. Mr. Silsby, what is your full name?

Mr. SILSBY. George W.

The CHAIRMAN. Your age?

Mr. SILSBY. I am 47 years old.

The CHAIRMAN. Your occupation?

Mr. SILSBY. Broker.

The CHAIRMAN. Residence?

Mr. SILSBY. City of Washington.

The CHAIRMAN. How long have you been a broker in Washington?

Mr. SILSBY. Since last November.

The CHAIRMAN. Senator Ransom has testified that he was informed by a Mr. Howland that he (Howland) had seen copies of lists from your firm—what was the name of your firm?

Mr. SILSBY. Silsby & Co.

The CHAIRMAN. Showing the names of persons who bought or sold sugar stock or certificates, and that on one or more of the lists he saw there was the name of Ransom. Will you tell what you know about it?

Mr. SILSBY. I can not say I know anything about it, except what I have seen in the papers.

The CHAIRMAN. What do you know of those lists upon which the name of Ransom appeared as a buyer or seller of sugar stock?

Mr. SILSBY. I know that my manager of what I call the branch office on the avenue notified me Saturday night that two or three lists containing the original entries of purchases and sales of stock had been stolen from the office. That was the first intimation I had of it.

The CHAIRMAN. Had been stolen from the office?

Mr. SILSBY. Yes, sir.

The CHAIRMAN. Have you discovered by whom?

Mr. SILSBY. I have not. I have paid out considerable money since then to a detective agent to find out, and I think he has the man.

The CHAIRMAN. Well, what did those lists disclose in regard to Ransom? Do you know the facts in regard to those entries on those lists of the name Ransom as having bought or sold?

Mr. SILSBY. I never knew that Ransom or any other name bought or sold there, because those records are kept at the branch office and the result of the day's work is transferred to the main office at night without names.

The CHAIRMAN. Had Senator Ransom bought or sold sugar stock through you?

Mr. SILSBY. Inasmuch as he has stated before your honorable body, I will answer, not to my knowledge.

The CHAIRMAN. He never has?

Mr. SILSBY. No, sir.

The CHAIRMAN. You would know if he had, would you?

Mr. SILSBY. I do not know that I would. I would now, inasmuch as the matter has been made so public in connection with his name. I could have ascertained. Perhaps I would never have known.

The CHAIRMAN. But you say now that he has neither bought nor sold.

Mr. SILSBY. I have ascertained that he has not.

The CHAIRMAN. Do you know what the transactions with his son were?

Mr. SILSBY. I do now; yes, sir.

The CHAIRMAN. What were they?

Mr. SILSBY. I could hardly state briefly without looking——

The CHAIRMAN. State generally, so far as you know.

Mr. SILSBY. Unfortunately, or fortunately, as the case may be, the records containing those transactions have been stolen or taken from the office——

The CHAIRMAN. Have you reason to think they were otherwise than as stated by Senator Ransom and Mr. Howland?

Mr. SILSBY. I have not. I believe that is correct.

Senator LINDSAY. How did you discover those sheets were stolen?

Mr. SILSBY. I discovered it Saturday afternoon, when my manager —or was it Friday afternoon—possibly Friday afternoon—I will not be positive about it—my manager said that a gentleman by the name of Howland had called there and wanted to purchase some stock, and he was very curious to see how it was done and to see the sheets upon which the original transactions are ——

Senator LINDSAY. Who was that that called?

Mr. SILSBY. Mr. Howland. And my manager, whose name is Ayres, is a rather young man, and he unconsciously allowed him to see a blank sheet, and he gave him a good deal of information that he was not entitled to, and it was at that time that I ascertained from Mr. Ayres that the original sheets containing Mr. Ransom's transactions were lost—were out of the office. I asked him to bring those sheets to me and let us see. I went to the office and examined the records and found that everything was gone from the office.

I know that Mr. Ayres could not have given that information; at least, I have every reason to believe that he did not do it, for he is a very honorable man, in my opinion, and a trustworthy one, and I trust him with a great deal of money every day. I have reason to know who did it. I think we will detect who did it. There is one line of inquiry I would like, if it is at all incident to the investigation, on this particular point, that an inquiry be made as to how Howland obtained that information. My business has suffered very materially, and I propose that you make *the guilty party* suffer for it.

The CHAIRMAN. This committee has nothing to do with that.

Mr. SILSBY. But I would like to say that Mr. Howland could easily have come to me and said, "Mr. Silsby, has Senator Ransom speculated with you?" I could have ascertained from Mr. Ayres in five minutes, time.

Senator DAVIS. Were those sheets missing before Mr. Howland called upon you?

Mr. SILSBY. Yes, sir. You might naturally ask yourself the question why he should go in there and ask for information after they were stolen, but he did it just the same.

I do not accuse Mr. Howland, or even think that Mr. Howland took the sheets. I think he used them knowing they were stolen property, and that he knew the information was false when it was published.

The CHAIRMAN. It never was published.

Mr. SILSBY. Except that Senator Ransom published it here.

The CHAIRMAN. It was not published in the papers until then?

Mr. SILSBY. Not until then.

The CHAIRMAN. I understand you to mean that he knew that the accusation against Senator Ransom was false?

Mr. SILSBY. Absolutely false. He knew it without any reservation.

The CHAIRMAN. I mean before he published it.

Mr. SILSBY. It was published in the New York Press and the other New York papers severely criticised the Press for it. The point I wanted to make was that I should have been very glad indeed to state to Mr. Howland, after ascertaining from Mr. Ayres, that Senator Ransom did not speculate. Of course, Mr. Howland was anxious to get in a very sensational article.

SWORN TESTIMONY OF JOHN W. MACARTNEY.

Senator ALLEN. Mr. Macartney, where do you reside?

Mr. MACARTNEY. My house address?

Senator ALLEN. No. The city in which you reside.

Mr. MACARTNEY. Washington.

Senator ALLEN. What is your occupation?

Mr. MACARTNEY. I am in the banking and brokerage business in this city, and am a member of the New York Stock Exchange.

Senator ALLEN. Are you in partnership with any other gentlemen?

Mr. MACARTNEY. No one has any interest in my business except myself.

Senator ALLEN. What is the name, or has been the name, of your firm?

Mr. MACARTNEY. Corson & Macartney. My partner died about two years ago, and I bought his interest from his estate.

Senator ALLEN. Is the business conducted in your name?

Mr. MACARTNEY. I have never changed the firm name.

Senator ALLEN. It is just Corson & Macartney, of which you are sole owner?

Mr. MACARTNEY. I am sole owner.

Senator ALLEN. Do you know Mr. E. R. Chapman, of the firm of Moore & Schley, of New York City?

Mr. MACARTNEY. Yes.

Senator ALLEN. Have you seen him here within ten days?

Mr. MACARTNEY. Recently; I can not say whether within ten days or not.

Senator ALLEN. Did you see him after he was subpœnaed to testify before this committee?

Mr. MACARTNEY. Yes.

Senator ALLEN. After he had been on the stand and testified and been excused here, did you see him?

Mr. MACARTNEY. I did.

Senator ALLEN. At your office?

Mr. MACARTNEY. Yes.

Senator ALLEN. You are the agent of his firm?

Mr. MACARTNEY. No, sir; not agent. We are only the correspondents of Moore & Schley here. They have no interest in my business and I have no interest in theirs.

Senator ALLEN. But you transact business on the stock exchange through them?

Mr. MACARTNEY. Through them; that is it.

Senator ALLEN. How many conversations did you have with Mr. Chapman at that time, or about that time?

Mr. MACARTNEY. I do not recollect. He was at my office, because it was the natural place for him to go, when he was in Washington, but I do not know how many times I talked with him.

Senator ALLEN. After he had first been examined and excused until the next day, did you see him that evening?

Mr. MACARTNEY. I did.

Senator ALLEN. At your office?

Mr. MACARTNEY. No; not at my office.

Senator ALLEN. At what place?

Mr. MACARTNEY. I think I saw him at the Arlington Hotel.

Senator ALLEN. And who was in company with him?

Mr. MACARTNEY. There wasn't anyone when I saw him.

Senator ALLEN. No one, but you two?

Mr. MACARTNEY. That is all.

Senator ALLEN. You did, however, at that time, or about that time, have a conversation with him at your office?

Mr. MACARTNEY. He was in my office that day.

Senator ALLEN. Was any United States Senator there with him?

Mr. MACARTNEY. No.

Senator ALLEN. Did you have any conversation in the presence of any United States Senator?

Mr. MACARTNEY. No.

Senator ALLEN. Did he converse with any United States Senator in your presence?

Mr. MACARTNEY. No; not in my office nor elsewhere.

Senator ALLEN. Has any United States Senator since the 1st day of February, 1894, transacted any business on the Stock Exchange of New York through your house in purchasing or selling sugar stocks or certificates?

Mr. MACARTNEY. Now, I want to treat this committee with all respect, but I must decline to answer that question.

Senator ALLEN. On what ground do you decline, Mr. Macartney?

Mr. MACARTNEY. Because in my own opinion this committee has no right to ask such a question, and I am advised by counsel they have no such right; and by saying that I do not mean to convey inferentially to any member of the committee that any Senator has speculated in my office. I simply refuse to answer as a matter of principle, and question the right of even this honorable committee to inquire into a private business.

Senator ALLEN. Do you not think that your refusal to answer implies that a United States Senator has operated or speculated through your firm?

Mr. MACARTNEY. I do not think that is so. I would not assume to answer the question if you asked if any Government clerk had dealt through my firm.

Senator ALLEN. Has any Senator's clerk, since the 1st day of February, 1894, dealt in sugar stocks or certificates through your firm?

Mr. MACARTNEY. I decline to answer that question, not because they ever did, but simply upon the principle involved.

Senator ALLEN. You mean to say that you decline to give any information upon this subject?

Mr. MACARTNEY. I mean that I can not tell the committee who are or are not the customers of Corson & Macartney.

Senator ALLEN. Notwithstanding it may involve the integrity of men who are legislating in national affairs?

Mr. MACARTNEY. No matter who it involves, or who it does not, that is the decision I must adhere to.

Senator ALLEN. You regard your duty to your own financial interest as superior to your duty as a citizen to the country at large?

Mr. MACARTNEY. I do not quite regard it in that light.

Senator ALLEN. Do you put your refusal to answer this question or these questions, and to disclose the names of Senators and their clerks who have speculated in sugar stocks during the last ninety days through your firm, upon the ground that it will criminate you or expose you to ignominy?

Mr. MACARTNEY. I do not understand that any crime is charged against anybody.

Senator ALLEN. Upon what precise ground and upon what ground alone do you base your refusal to answer these questions?

Mr. MACARTNEY. On the ground that a committee such as this has not the right to inquire who are or who are not my customers in a private business such as mine is.

Senator ALLEN. Notwithstanding those customers may be United States Senators and their clerks?

Mr. MACARTNEY. Notwithstanding who they may be.

Senator DAVIS. Mr. Macartney, did I understand you to say that from your refusal to answer no inference was to be drawn as to whether any Senator or his clerk had or had not speculated through your office?

Mr. MACARTNEY. I do not wish to create an inference in any direction by refusing to answer.

The CHAIRMAN. Whether you wish to create one or not, do you mean that your answer is justly susceptible of the inference that any Senator or his clerk has speculated through your office?

Mr. MACARTNEY. It might be susceptible of any view of mind. At the same time, I would not wish to convey that inference.

The CHAIRMAN. Would you decline to answer the question put to you by Senator Allen just the same whether a Senator had speculated or had not speculated?

Mr. MACARTNEY. It would be just the same; I would refuse to answer, as a matter of principle.

The CHAIRMAN. You would refuse, even if no Senator had ever bought or sold sugar stock through you?

Mr. MACARTNEY. I would refuse to answer.

Senator LINDSAY. You put it upon the ground that your business is a private business and the public has no interest in it?

Mr. MACARTNEY. That is it exactly.

Senator LINDSAY. You would have no objection to saying in an ordinary conversation, if asked, if such or such a person was or was not a customer of yours?

Mr. MACARTNEY. I would.

Senator LINDSAY. In a letter published in the Philadelphia Press of May 14, 1894, it is stated in substance that after the formulation of the present amendments to the tariff bill, which is now pending before the Senate, a copy of them was placed in the hands of the agent of Moore & Schley, at Washington, in the morning before he was out of bed. You may state if a copy of that schedule was presented to you?

Mr. MACARTNEY. It was not.

Senator LINDSAY. When did you first see that schedule?

Mr. MACARTNEY. The first accurate knowledge I had of the schedule was when it was given to the press.

Senator LINDSAY. You saw it in the press?

Mr. MACARTNEY. Yes; not in the Philadelphia Press, but in the newspapers generally.

Senator LINDSAY. And you never knew of its existence before that time?

Mr. MACARTNEY. I never did.

Senator LINDSAY. Do you know of any employé in your establishment to whom it was given before that?

Mr. MACARTNEY. I do not. I will state for the information of the committee that in an office like mine there are a great many speculators around, and a great many newspaper people come in. We hear a vast number of rumors and gossip upon a great many subjects. As pertinent to my business, I talked sugar with anybody. We heard a great deal of rumor, but we had no real accurate information in regard to the amendments until everybody had it, and no employé of mine had, so far as I know.

Senator ALLEN. Along about the 15th of February, 1894, were orders sent by you or by anybody in your employment to the New York Stock Exchange for United States Senators, or any United States Senator, for the purchase of sugar stocks or certificates?

Mr. MACARTNEY. I must decline to answer that, upon the same principle involved in the other question.

Senator ALLEN. Were any such orders sent by any United States Senator's clerk or person in his employment?

Mr. MACARTNEY. I decline to answer that question.

The CHAIRMAN. For the same reason?

Mr. MACARTNEY. For the same reason.

Senator ALLEN. You are aware of the statute which makes it your duty to answer, are you?

Mr. MACARTNEY. I think so.

Senator ALLEN. You prefer to take your chances of indictment and punishment here in the District?

Mr. MACARTNEY. Yes; the ordinary consequences.

Senator ALLEN. To answering the truth?

Mr. MACARTNEY. I do not say that.

Senator ALLEN. Well, you refuse to disclose the truth, do you not, by refusing to answer?

Mr. MACARTNEY. I only refuse to answer the question.

Senator ALLEN. Don't you conceal the truth in refusing to answer?

Mr. MACARTNEY. I refuse to answer the question as to who are or who are not customers of my firm.

Senator ALLEN. And you refuse to say whether you do or do not secrete the truth by your refusal to answer?

Mr. MACARTNEY. I do not think that is a fair question.

Senator ALLEN. I desire you to answer the question. If you see fit, do so. You seem to be master of the situation.

Mr. MACARTNEY. I decline to answer that.

Senator ALLEN. Mr. Macartney, do you not know that your refusal is based upon your purpose to secrete the names of Senators who have speculated through your firm?

Mr. MACARTNEY. I do not.

Senator ALLEN. Or their clerks?

Mr. MACARTNEY. I do not.

Senator ALLEN. And that it is your intention to shield all such persons as far as possible?

Mr. MACARTNEY. That is not my intention at all.

Senator ALLEN. And because you believe that to give their names would be injurious to your business in the future?

Mr. MACARTNEY. That is not what induces my refusal at all, Senator.

SWORN TESTIMONY OF LESTER S. FISHER.

Senator ALLEN. What is your full name?

Mr. FISHER. Lester S. Fisher.

Senator ALLEN. Where do you reside?

Mr. FISHER. Washington, D. C.

Senator ALLEN. What is your occupation?

Mr. FISHER. I am a telegrapher.

Senator ALLEN. In whose service are you now employed?

Mr. FISHER. Carson & Macartney.

Senator ALLEN. What is their occupation?

Mr. FISHER. Bankers and brokers, No. 1419 F street.

Senator ALLEN. How long have you been in their service?

Mr. FISHER. Since November, 1885.

Senator ALLEN. Have they a private wire to New York?

Mr. FISHER. They have.

Senator ALLEN. As telegrapher, what are your duties?

Mr. FISHER. My duties are sending and receiving dispatches.

Senator ALLEN. That consists largely in orders sent to the New York Stock Exchange through your house?

Mr. FISHER. Not largely.

Senator ALLEN. To some degree?

Mr. FISHER. Yes, sir.

Senator ALLEN. Are those dispatches usually sent in cipher or in the English language in full?

Mr. FISHER. They are generally plain dispatches.

Senator ALLEN. Have you been in the employ of Corson & Macartney as telegrapher since the 1st of February, 1894, to this time?

Mr. FISHER. Yes, sir.

Senator ALLEN. During that time has the house of Corson & Macartney sent any orders over your wire to the New York Stock Exchange, or any person connected with it, to purchase or sell sugar stocks or certificates on behalf or on account of any United States Senator?

Mr. FISHER. Mr. Chairman, I am only an employé of Corson & Macartney. My instructions from Corson & Macartney are to decline to answer questions relating to their private business.

Senator ALLEN. You decline to answer this question just put to you?

Mr. FISHER. Yes, sir.

Senator ALLEN. On what ground?

Mr. FISHER. Simply because I am an employé and am following the position taken by my employers.

Senator ALLEN. It is not upon the ground that to answer it truthfully and affirmatively would have any tendency to criminate you or to expose you to public ignominy?

Mr. FISHER. I have never attached any disgrace to my business, and do not decline to answer upon that ground.

Senator ALLEN. The law makes two exceptions in favor of a witness who testifies. They are, that he is not required to answer a question which will have a tendency to criminate him or expose him to public ignominy. As to all other questions he is required to answer, however unpleasant it may be. Do you base your refusal to answer upon the thought that your answer might tend to criminate you or expose you to public ignominy?

Mr. FISHER. Not at all.

Senator ALLEN. You base it, then, simply upon the instructions of Corson & Macartney and upon your own ideas of propriety or impropriety?

Mr. FISHER. I can not say that it is my instructions. I have no instructions, that is, direct instructions in regard to any particular question. My understanding is that I am here called as a witness, and I am also here as an employé of Corson & Macartney. I can not under any circumstances divulge any of their affairs.

Senator ALLEN. The laws of the United States make your refusal to answer such questions criminal, make you subject to indictment, and, if convicted, punished for refusal to do so. With that knowledge, do you still persist in refusing to answer?

Mr. FISHER. I do.

Senator ALLEN. You were aware of the law at the time you refused, were you not?

Mr. FISHER. As a fairly intelligent man I have read most of the testimony before this honorable committee, and I am aware, to an extent, of the position in which I am placed.

The CHAIRMAN. Do you mean that any inference shall be drawn from your refusal to testify that United States Senators have purchased through your firm?

Mr. FISHER. Not at all.

The CHAIRMAN. Would you decline to answer precisely as you have declined, whether a United States Senator had purchased or not?

Mr. FISHER. I would.

The CHAIRMAN. Without reference to the fact whether they had purchased or not?

Mr. FISHER. I would decline; yes, sir.

The CHAIRMAN. That is, if the fact were that no United States Senator had actually purchased through your firm, would you still decline to say whether he had or not?

Mr. FISHER. Mr. Chairman, I would decline to answer any question that pertained to the business of the firm by which I am employed.

The CHAIRMAN. I understand that. But if the fact were—and I am asking this to get at the grounds and not to trap you at all—if the fact were that no United States Senator had bought or sold sugar stocks through your firm, would you still decline to answer the question whether they had or not?

Mr. FISHER. I would.

Senator ALLEN. I think I omitted to ask you a question which I desire to. During the time I have mentioned, since the 1st of February, 1894, to this date, has the clerk or servant of any United States Senator sent, through your firm or over your wire, an order for the purchase or sale of sugar stocks or certificates for or on account of himself or his principal?

Mr. FISHER. I think I have answered that question in substance. I positively decline to answer any question pertaining to business we transact for anybody.

Senator ALLEN. In a letter published under the name of "Holland," in the Philadelphia Press of May 14, 1894, it is said, in substance, that a copy of the present sugar schedule now being considered by the United States Senate in connection with the tariff bill under discussion, was placed in the hands of a representative of Moore & Schley, in Washington, before he was out of his bed the morning succeeding the night when it was formulated. Do you know anything about that?

Mr. FISHER. I know nothing about it.

Senator ALLEN. Was it placed in your hands?

Mr. FISHER. It was not.

Senator ALLEN. Was it placed in the hands of anyone of your firm, that you know of?

Mr. FISHER. I will state absolutely that I know nothing about it.

Senator ALLEN. When did you first learn of the present proposed sugar schedule?

Mr. FISHER. I think it was the morning it was published in the Washington Post, is my earliest recollection.

Senator ALLEN. You learned it through the press in some form?

Mr. FISHER. Yes, sir.

Senator ALLEN. You never knew anything about it before that?

Mr. FISHER. No, sir. Mr. Chairman, can I make just a brief statement?

The CHAIRMAN. Yes.

Mr. FISHER. My business is that of a telegrapher. If I lose the position which I now hold I would have to go back to telegraphing for a living.

The CHAIRMAN. To general telegraphing?

Mr. FISHER. Yes, sir; now, you know, if a man discloses a dispatch in any form or manner he is blacklisted by every telegraph company. I am no more at liberty to give away any of my firm's business than I would be if I were a telegrapher working for a telegraph company.

WASHINGTON, D. C., *June 20, 1894.*

The committee met pursuant to adjournment.

Present: The chairman (Senator Gray), Senators Lindsay, Davis, Lodge, and Allen.

SWORN STATEMENT OF SENATOR JOHN H. MITCHELL.

Senator DAVIS. Are you a Senator of the United States from the State of Oregon?

Senator MITCHELL. I am.

Senator DAVIS. How long have you been such?

Senator MITCHELL. I was first elected to the Senate in 1872, and took my seat March 4, 1873, and served six years. I was again elected to the Senate in October or November, 1885, took my seat in December, 1885, and have been a member of the Senate ever since.

Senator DAVIS. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator MITCHELL. I have been here nearly all the time.

Senator DAVIS. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator MITCHELL. I have not.

Senator DAVIS. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stocks, or stock or certificates of the American Sugar Refining Company?

Senator MITCHELL. I have not.

Senator DAVIS. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operation, whether by purchase or sale of said stocks or certificates?

Senator MITCHELL. I have not, directly or indirectly.

Senator DAVIS. Has anyone bought or sold for your account or in your interest any such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator MITCHELL. No; none at all.

Senator DAVIS. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator MITCHELL. None whatever, to my knowledge.

Senator DAVIS. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator MITCHELL. None, to my knowledge.

Senator DAVIS. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator MITCHELL. I never have.

WASHINGTON, D. C., *June 21, 1894.*

The committee met pursuant to call of the chairman.

By direction of the committee the following cable message received this day is incorporated in the testimony:

CARLSBAD, GERMANY.

Senator TELLER,
Washington, D. C.:

I have never been interested, directly or indirectly, in sugar or sugar trust or stock. If anything further needed, please advise.

EDWARD O. WOLCOTT.

SWORN TESTIMONY OF GEORGE E. RANSOM.

The CHAIRMAN. What is your full name?

Mr. RANSOM. George E. Ransom.

The CHAIRMAN. What is your age?

Mr. RANSOM. Twenty-four.

The CHAIRMAN. And residence?

Mr. RANSOM. North Carolina.

The CHAIRMAN. What is your present residence?

Mr. RANSOM. Washington; Metropolitan Hotel.

The CHAIRMAN. Occupation?

Mr. RANSOM. Clerk to the Committee on Commerce.

The CHAIRMAN. Of which your father is chairman?

Mr. RANSOM. Yes, sir.

The CHAIRMAN. Mr. Ransom, it has been stated here in the testimony by Senator Ransom, your father, that on, I think, Thursday of last week he was told by a correspondent of a New York paper, Mr. Howland, that his, your father's, name was on the list of a certain broker in Washington here as a purchaser of or operator in sugar stock; and your father expressing surprise and denying that any such thing could be true, the correspondent asked if there was any other person of that name here and he said that there was no one he knew of except yourself, his son, and that he went for you and asked you to come into the room in which the correspondent was and you there stated that you had made certain purchases, or dealt in a certain way, in sugar stock with a certain firm of brokers in this city. Is that true?

Mr. RANSOM. Yes, sir. That is true.

The CHAIRMAN. Who was it you dealt with?

Mr. RANSOM. Silsby & Co.; the branch office.

The CHAIRMAN. What was the extent of your dealing?

Mr. RANSOM. The first time I ever dealt in stocks at all was on April 18. I went up to Silsby & Co.'s branch office and bought $25 worth of cotton and $10 worth of sugar—10 shares of sugar, rather.

The CHAIRMAN. What other operations?

Mr. RANSOM. After that I bought, together with Capt. Barnes——

The CHAIRMAN. Who is Capt. Barnes?

Mr. RANSOM. He is messenger to the Committee on Commerce Between us we bought $20 worth of sugar—20 shares of sugar.

The CHAIRMAN. That was the margin you deposited?

Mr. RANSOM. Yes, sir. We put up $20. Then I bought, together with him, $20 worth again, and then again I bought $20 worth——

Senator LINDSAY. That is four different purchases.

Mr. RANSOM. Four different purchases; yes, sir. I am uncertain whether I made another purchase or not. I rather think I was in five purchases.

The CHAIRMAN. The same amounts?

Mr. RANSOM. The same amounts, except the first one.

The CHAIRMAN. You were interested to the extent of one-half of $20.

Mr. RANSOM. Yes, sir; $10. The first one was my own individual purchase of $10. My father knew nothing of these purchases.

The CHAIRMAN. Your father never knew you had made them?

Mr. RANSOM. He never knew I made them. In fact, he was the last person I would want to know it; I kept it from him. I did not think it was wrong——

The CHAIRMAN. It was a species of gambling?

Mr. RANSOM. Yes, sir. He advised me not to gamble, and always has.

The CHAIRMAN. He not only did not know it, but you concealed it from him?

Mr. RANSOM. Yes, sir; I concealed it from him.

The CHAIRMAN. And you say he never knew it until Thursday evening of last week?

Mr. RANSOM. Yes, sir. He called me out of the parlor at the Metropolitan Hotel. I was talking with some ladies, and he called me out, and I went straight to his room. I had no knowledge what he wanted until the gentleman, Mr. Howland, asked me if I had bought any sugar stock, and I told him I had.

Senator LINDSAY. How much time elapsed between the first purchase and the last?

Mr. RANSOM. The first was on April 18 and the last one, I think, was about May 7.

Senator LINDSAY. Your father had no interest in, nor knowledge of, those purchases, directly or indirectly?

Mr. RANSOM. None, direct or indirect. He knew nothing of it.

SWORN TESTIMONY OF ARTHUR BARNES.

The CHAIRMAN. Arthur Barnes is your name?

Mr. BARNES. Yes, sir.

The CHAIRMAN. Your age?

Mr. BARNES. I am 56 years of age.

The CHAIRMAN. Your residence?

Mr. BARNES. North Carolina; that is my home.

The CHAIRMAN. Present residence?

Mr. BARNES. Washington.

The CHAIRMAN. And occupation?

Mr. BARNES. Messenger to the Senate.

The CHAIRMAN. Messenger to what committee?

Mr. BARNES. Committee on Commerce.

The CHAIRMAN. Of which Senator Ransom is chairman.

Mr. BARNES. Yes, sir.

The CHAIRMAN. Capt. Barnes, have you dealt at all in so-called sugar stocks?

Mr. BARNES. Yes, sir.

The CHAIRMAN. Will you state when and all about it; to what extent and so on?

Mr. BARNES. I think I invested about $40——

The CHAIRMAN. Altogether?

Mr. BARNES. Yes, sir.

The CHAIRMAN. In what way; all at once or at different times?

Mr. BARNES. Different times.

The CHAIRMAN. When did you make the first investment?

Mr. BARNES. I think Mr. George Ransom and myself were partners, $10 each——

The CHAIRMAN. Four different times?

Mr. BARNES. Four different times, I think.

The CHAIRMAN. When was the first one?

Mr. BARNES. I think it was some time in April, soon after my return form Asheville.

The CHAIRMAN. When was the last one?

Mr. BARNES. I think it was in May. I can tell by referring to a statement I have. [After examining a paper] May 14.

The CHAIRMAN. That was the last.

Mr. BARNES. Yes, sir.

The CHAIRMAN. Were those the only transactions you had?

Mr. BARNES. The only transactions, except once outside of Mr. Ransom. When he was not with me I did it one time. But four times includes the whole——

The CHAIRMAN. Three with Mr. Ransom and one when he was not with you.

Mr. BARNES. Three with him; three times.

The CHAIRMAN. What was the extent of the one when you were alone?

Mr. BARNES. Ten dollars.

The CHAIRMAN. And the others were all with him.

Mr. BARNES. Yes, sir.

The CHAIRMAN. And you say there was no others that you made in sugar stock.

Mr. BARNES. Never before in my life.

The CHAIRMAN. That was the full extent of it.

Mr. BARNES. Yes, sir.

The CHAIRMAN. I will ask you whether Senator Ransom, chairman of the Committee on Commerce, knew anything of the transactions.

Mr. BARNES. He did not, sir. I tried in every way to keep it secret from him.

The CHAIRMAN. Why?

Mr. BARNES. Because I knew he would be very severe on me if he found it out. He was opposed to anything of that kind.

The CHAIRMAN. He had no interest, direct or indirect?

Mr. BARNES. No, sir; he did not.

WASHINGTON, D. C., *June 22, 1894.*

The committee met at the call of the chairman.

SWORN STATEMENT OF SENATOR NATHAN F. DIXON.

The CHAIRMAN. Are you a Senator of the United States from the State of Rhode Island?

Senator DIXON. I am.

The CHAIRMAN. How long have you been such?

Senator DIXON. I was elected April 10, 1889.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator DIXON. I have.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator DIXON. I have not.

The CHAIRMAN. Have you bought or sold, directly or indirectly, isnce the beginning of this session of Congress, any so-called sugar

stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator DIXON. I have not.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operations, whether by purchase or sale, of said stocks or certificates?

Senator DIXON. I have not.

The CHAIRMAN. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in said stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator DIXON. No.

The CHAIRMAN. Has any member of your family or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator DIXON. No, sir.

The CHAIRMAN. Have you, or has any member of your family, or such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator DIXON. No, sir.

The CHAIRMAN. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator DIXON. I have not.

SWORN STATEMENT OF SENATOR M. C. BUTLER.

Q. Are you a Senator of the United States from the State of South Carolina?—A. Yes.

Q. How long have you been such?—A. Since December, 1877.

Q. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?—A. Yes.

Q. Have you given any information, directly or indirectly, to any one interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?—A. I have not.

Q. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?—A. I have not.

Q. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operations, whether by purchase or sale, of said stocks or certificates?—A. I have not.

Q. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in such stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?—A. No.

Q. Has any member of your family, or any person in your employ,

or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested, in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?—A. No.

Q. Have you, or has any member of your family, or any such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?—A. Not to my knowledge.

Q. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?—A. No.

M. C. BUTLER.

Sworn to before me this 23d day of June, A. D. 1894.

[SEAL.] J. E. GAILLARD,
Notary Public for South Carolina.

WASHINGTON, D. C., *June 26, 1894.*

The committee met at the call of the chairman.

SWORN STATEMENT OF SENATOR R. F. PETTIGREW.

The CHAIRMAN. Are you a Senator of the United States from the State of South Dakota?

Senator PETTIGREW. Yes, sir.

The CHAIRMAN. How long have you been such?

Senator PETTIGREW. Since 1889.

The CHAIRMAN. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?

Senator PETTIGREW. I have.

The CHAIRMAN. Have you given any information, directly or indirectly, to anyone interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?

Senator PETTIGREW. I never have.

The CHAIRMAN. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?

Senator PETTIGREW. No. I never did. Not only that, I never bought or sold a share of stock in my life, of any sort, on any market.

The CHAIRMAN. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operations, whether by purchase or sale, of said stocks or certificates?

Senator PETTIGREW. No, sir.

The CHAIRMAN. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in said stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?

Senator PETTIGREW. No, sir.

The CHAIRMAN. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested, in any of the

ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?

Senator PETTIGREW. They have not.

The CHAIRMAN. Have you, or has any member of your family, or such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?

Senator PETTIGREW. They have not.

The CHAIRMAN. Have you at any time been connected with the American Sugar Refining Company, or have you at any time been in its employ as attorney, agent, or otherwise?

Senator PETTIGREW. I have not.

SWORN STATEMENT OF SENATOR JAMES F. WILSON.

Q. Are you a Senator of the United States from the State of Iowa?—A. I am.

Q. How long have you been such?—A. I became a member of the Senate during the Forty-eighth Congress.

Q. Have you been in attendance at the present session of Congress during the pendency of the tariff bill in the Senate?—A. I was present during the present session of Congress from its commencement until the 15th day of May, when, owing to the condition of my health, I found it necessary to return to my home at Fairfield, Iowa.

Q. Have you given any information, directly or indirectly, to any one interested in sugar stocks, so called, or in the stock of the American Sugar Refining Company, that was intended or calculated to affect its value?—A. I have not.

Q. Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?—A. I have not.

Q. Have you been concerned with anyone in interest, direct or indirect, contingent or otherwise, in any operations, whether by purchase or sale, of said stocks or certificates?—A. I have not.

Q. Has anyone bought or sold for your account, or in your interest, any of such stocks, or speculated in any of such stocks on your account, or given you to understand that you would share in the profits of any operation in said stocks, or placed any money to your credit as the proceeds of the purchase or sale of such stocks, or promised or agreed to place such money to your credit?—A. To this question as an entirety, and to each and all of its subdivisions, I answer no.

Q. Has any member of your family, or any person in your employ, or any clerk employed under the laws of the United States in your service, been, to your knowledge, interested in any of the ways indicated in any of the preceding questions, in any transaction in sugar stocks or certificates during the period mentioned?—A. To this question, I answer no.

Q. Have you, or has any member of your family, or such clerk, owned or held certificates of the American Sugar Refining Company during the period heretofore mentioned?—A. Neither myself nor any member of my family have owned or held any such certificates; nor do I believe that such clerk owned or held any.

Q. Have you at anytime been connected with the American Sugar Refining Company, or have you at anytime been in its employ as attorney, agent, or otherwise?—A. At no time have I been connected with said company, nor have I at anytime been in its employ as attorney, agent, or otherwise.

JAMES F. WILSON.

Subscribed and sworn to before me this 29th day of June, A. D. 1894.
[SEAL.] J. M. HINKLE,
Notary Public, Jefferson County, Iowa.

WASHINGTON, D. C., *July 20, 1894.*

The committee met, pursuant to call of the chairman, at 11 o'clock a. m.

Present: The chairman and Senators Lindsay and Davis.

SWORN TESTIMONY OF SAMUEL B. DERICKSON.

The CHAIRMAN. Please give your full name.

Mr. DERICKSON. Samuel B. Derickson.

The CHAIRMAN. Your occupation.

Mr. DERICKSON. I am in the employ of a brokerage firm in New York City.

The CHAIRMAN. Of whom?

Mr. DERICKSON. W. B. Wheeler & Co., New York City.

The CHAIRMAN. Your name is mentioned in an article in the New York Herald of Tuesday, July 17, in connection with certain allegations in the article in regard to supposed dealings of some Senator of the United States in sugar stock. Have you read the article?

Mr. DERICKSON. Yes, sir.

By direction of the committee the said article is incorporated in the record at this point, as follows:

SENATORS BUY SUGAR—BROKER S. B. DERICKSON DOESN'T DENY HE HAS AN ORDER CALLING FOR SHARES—PHOTOGRAPH MADE OF IT—FACSIMILE SAID TO BE HELD BY A MEMBER OF THE CONFERENCE COMMITTEE—IS TO BE USED AS A CLUB—A TELEGRAPH OPERATOR SAYS HE OVERHEARD ANOTHER SENATOR'S ORDER FOR SUGAR.

Notwithstanding the denials of all of the U. S. Senators, excepting Mr. Quay and Mr. McPherson, that they had purchased sugar trust stock just prior to its phenomenal rise, it is now declared that there is written and photographic evidence in existence in this city to prove that at least one Senator who made such denial did send an order to his brokers to purchase shares.

The person from whom this statement was obtained is a man of affairs, of acknowledged integrity, and of wealth. He is well known in business circles, and has talked about the matter to others. Yet when I asked him for particulars he refused until given a promise that his name would not be revealed. He says he has sent to a member of the conference committee at Washington a photograph of the original order given by the Senator, so as to force a vote favorable to the reduction of the tariff on lead.

It is stated that some years ago my informant lost about $200,000 through the lead trust, and that ever since then he has been waiting for the time when he could get back with a tremendous blow. I had heard that Senator Cameron, of Pennsylvania, was the one who had sent the order for sugar, but the gentleman interviewed denied this.

ONE OF THESE FOUR.

"You have made a mistake," he said, "but the name of the one whose order has been photographed sounds much like the name you have mentioned. I'll say this: He is one of the four Senators referred to in the Herald's Washington dispatch, of Friday last, as insisting that the House shall not place coal and iron ore on the free list."

These four Senators are Camden and Faulkner, of West Virginia, and Gorman and Gibson, of Maryland. Senator Camden is a brother-in-law to President Thompson, who controls the millions upon millions invested in the National Lead Company.

My informant, who is anxious to have the schedule reduced, happened to be chatting recently with a well-known broker, who had a branch office in Washington. The question of the tariff was talked over, and then that of sugar came up. After a long discussion of the various phases of the scandal, the broker sullenly said:

"Well, I happen to have a document here that would prove interesting to the public!"

He then pulled from his pocket a sheet of paper on which was written an order to buy sugar-trust shares and signed by a Senator. The broker was interrogated closely as to how the order came into his possession, and this was his explanation:

"In the first place, this belongs to an employé of mine, from whom I borrowed it. He was in charge of our branch office at Washington until just before the sugar scandal came about, when, owing to the fact that business had become slack, the branch was closed and he was recalled to New York, where he now is.

"I was talking to him about the scandal when he showed me this order. It was the only one he had preserved of a large number, and he had preserved it quite by accident, placing it in his pocket thoughtlessly with several private letters when he closed the Washington office. He pointed to this hole in the bit of paper, which you see, and said that showed it had been on file."

"Has he any other knowledge of like sort?" I asked my informant.

CLAIMS FURTHER KNOWLEDGE.

"Oh, yes," the broker replied. "He says that seventeen or eighteen other Senators purchased sugar who have since denied such transactions to the investigating committee. He could unfold a tale if he so desired."

My informant borrowed the original order, and within four hours it had been photographed and returned.

Knowledge of the existence of that facsimile came to me in a roundabout way, and I went directly to the owner of the photograph. Before speaking a word upon the subject he exacted a promise that his name should not be used in any way in connection with the matter. Then he said:

"The story you have heard is true. I am glad you heard it, for I can not express my indignation over the way certain of the Senators have testified that they did not speculate in sugar when I have had the original order of one in my own hands, and when I now hold a photographic copy of it. The whole thing is infamous."

"Will you let me print a copy of that photograph in the Herald?"

"I think I can do what is better yet—put you in the way of obtaining the original order. Come in to-morrow."

I called the following day, but he had not seen the person who possessed the original. Another day went by, and another. Then he told me of a telegraph operator in a broker's office in New York who, just before sugar's dizzy leap upward, had overheard a message come in by wire from their Washington branch office. The message ordered 1,500 shares of sugar-trust stock for one of the most famous Senators of the United States, and said that his account was guaranteed by another Senator, who has been before the nation prominently of late.

LONGED-FOR POWER.

The man for whom the stock is said to have been ordered is a Democrat, who has had much to do with shaping the present policy. He is not known to have speculated much previous to this time, and is not generally deemed to be a man of wealth. The belief is that knowledge of the prospective tremendous rise in sugar dazzled him; he saw the possibility of acquiring a fortune without risk. But money was needed, or a rich friend who would guarantee his account, one whose guaranty would be accepted by the brokers. This friend was not far off. He was another Senator, not an old member of the body, but a man of ability before whom loomed up the vision of a great career. He had made a large fortune in business. His money was well invested in real estate, manufactures, and railroads.

The acquisition of additional wealth was no object. He had money enough. But his restless, energetic character, his splendid brain, his brilliant powers of speech, and the endowment of extraordinary capacity to direct men and affairs, made not unalluring the possibility of future conquests, and conquests of much higher order than the mere gathering of commercial properties.

He had sprung into prominence with unusual rapidity, and if he could obtain the friendship of some of the leaders of the upper House it would be a great advantage. Chance threw in his way, seemingly, an opportunity to place a real leader under obligations to him. Such are deductions which any one might draw upon hearing the story of my informant.

That ended the interview for that day. When I called upon him the next afternoon a complete change had taken place. My informant refused absolutely to have anything to do with printing the order for sugar, of which he had a photograph. He had changed his mind completely, and said that nothing could induce him to be of further assistance. He declined to reveal the name of the man who has the original order, or to say with which house he is connected. When pressed for reasons of his change of base, he said:

TO BE USED AS A CLUB.

"I am quite sure now that more effective use can be made of the photograph than to publish it in the Herald, or to help you get hold of the original."

"What do you propose doing?"

"The Senator who sent that order is one of those who has indicated that he will decline to vote for a reduction in the tariff of a certain article, whereas I am anxious for the reduction to be made. That Senator can be forced to come to time."

The plan, he explained, was to place the photograph in the hands of a member of the conference committee who is friendly to my informant. With this photograph in existence it is not at all likely that objection will be made by the Senator who has testified that he has not dealt in sugar.

Inquiry at Washington shows that the only branch office of a New York brokerage firm that closed about the time the sugar scandals were first talked of belonged to W. B. Wheeler & Co., of No. 66 Broadway, this city. The branch was managed by Samuel B. Derickson and a Mr. Thayer. The branch dealt heavily in sugar before it closed.

These facts established, further links showed that while Mr. Thayer remains in Washington running a brokerage office of his own, Mr. Derickson is in this city managing a branch of W. B. Wheeler & Co., which is situated in the Windsor Hotel. I called on Mr. Derickson yesterday afternoon at his office in the hotel.

A LIVELY INTERVIEW.

"Mr. Derickson," said I, "will you let me see the order for sugar given you by Senator ——— before the scandals came out?"

"What!" he exclaimed.

I repeated the question, and maintained that a photograph of the order in all probability was in the possession of a member of the conference committee.

"All I will say about the matter is this," he responded. "I was in Washington on a special mission for three or four months. I accomplished it and came home."

"Will you deny possessing the order to buy sugar from the Senator mentioned?" I asked.

"No, I will not deny it. I will not say anything about it one way or the other. The investigation is over, and that's all there is to it."

Senator Camden was not in Washington last night.

The CHAIRMAN. What can you tell the committee in regard to those matters in regard to which you are there supposed to have some knowledge, or alleged to have some knowledge?

Mr. DERICKSON. I can only say that a reporter called on me in regard to some order—written order—that was supposed to be in existence, and it being a rule of the firm to refuse either to affirm or deny anyone speculating with us, I told him that I could not answer his question. That was all at that time. The matter got to be so widespread that I made a voluntary statement, and telegraphed it down—I tried to find out, in the first place, where the Senator was, and could not find out——

The CHAIRMAN. What Senator?

Mr. DERICKSON. Senator Camden; I think the article insinuated that it was he I had had the order from. I tried to find out where he was and all I could find out was that he was somewhere in West Virginia; so I sent to a gentleman here in Washington, a friend of mine, giving the facts in the case as far as I knew and asking him to show the dispatch to Senator Camden's friends.

The CHAIRMAN. What was the dispatch?

Mr. DERICKSON. The dispatch I sent to a friend here.

The CHAIRMAN. What was the purport of it?

Mr. DERICKSON. That I had never had any order, written or verbal, from Senator Camden or any other Senator.

The CHAIRMAN. Do you say that now?

Mr. DERICKSON. I do.

The CHAIRMAN. Did your firm, so far as you know, ever have any such order?

Mr. DERICKSON. They never had.

The CHAIRMAN. Do you know anything of a photograph of any such order or supposed order?

Mr. DERICKSON. Only by hearsay.

The CHAIRMAN. You never saw such a photograph?

Mr. DERICKSON. Never.

The CHAIRMAN. You never had an order of which there can be a photograph?

Mr. DERICKSON. No, sir; never.

The CHAIRMAN. Were you manager of the Washington branch of Wheeler & Co. last winter and spring?

Mr. DERICKSON. Yes, sir.

The CHAIRMAN. And you say that while you were here managing that branch, or at any other time, you never had an order from a United States Senator dealing in sugar, whether for the purchase or sale of sugar?

Mr. DERICKSON. I never had; no, sir.

The CHAIRMAN. Did you ever have any order for the purchase or sale of sugar stock, so-called, in which you had reason to believe that any United States Senator was directly or indirectly interested?

Mr. DERICKSON. No, sir; never.

The CHAIRMAN. Have you any knowledge of any of the things or matters referred to in this alleged conversation between the gentleman referred to as the informant and a well-known broker?

Mr. DERICKSON. Not the slighest, except what I read in the newspapers.

The CHAIRMAN. Did you ever deliver to any person any order that you had in your possession as the result of your transactions in Washington or elsewhere, for the purpose of having a photograph made?

Mr. DERICKSON. No, sir; never.

The CHAIRMAN. Is there any foundation in fact for the statement in regard to your delivering an order to be photographed?

Mr. DERICKSON. Not at all.

The CHAIRMAN. Do you know anything about the other matters and things contained in this article?

Mr. DERICKSON. Not the slightest.

The CHAIRMAN. Is there anything that you know about the allegation here contained that this alleged broker informed this writer that 17 or 18 Senators had been buying or selling sugar stock?

Mr. DERICKSON. No, sir.

The CHAIRMAN. You have no knowledge on that subject at all?

Mr. DERICKSON. No, sir.

Senator DAVIS. Did you ever make any such statement?

Mr. DERICKSON. Never in my life.

The CHAIRMAN. Is Mr. Thayer here?

Mr. DERICKSON. He was merely a clerk in the employ of the office at that time.

Senator DAVIS. Do you know or surmise the name of the person styled the "informant" in that article?

Mr. DERICKSON. I can not imagine in any way.

The CHAIRMAN. Is there any fact or circumstance which will enable you to inform us who that informant is, or what his name is?

Mr. DERICKSON. No, sir.

The CHAIRMAN. Can Mr. Thayer give us anything?

Mr. DERICKSON. No, sir. He was there only during the time I was.

The CHAIRMAN. Is he in town?

Mr. DERICKSON. Yes, sir.

The CHAIRMAN. Is he in the Capitol here?

Mr. DERICKSON. No, sir; he is somewhere on F street, between Fourteenth and Fifteenth.

The CHAIRMAN. Would he have taken an order from a Senator that you would not afterwards have known about?

Mr. DERICKSON. No, sir.

The CHAIRMAN. Or have taken an order from anybody that you would not afterwards have known about?

Mr. DERICKSON. No, sir; he would have to report to me first.

The CHAIRMAN. I will ask whether you were the active manager of the stock business of William B. Wheeler & Co.?

Mr. DERICKSON. Yes, sir; I was.

The CHAIRMAN. Would there have been any transaction in sugar or other stock through William B. Wheeler & Co. by anyone that you would not know of?

Mr. DERICKSON. No, sir.

The CHAIRMAN. All operations of that kind from Washington would pass through your hands?

Mr. DERICKSON. Yes, sir; when I am here I do not know anything about the business in New York.

Senator DAVIS. What part did, or does, William B. Wheeler take in the management of the concern relative to the purchase or sale of stocks?

Mr. DERICKSON. He takes no active part in it whatever.

Senator DAVIS. You are the general——

Mr. DERICKSON. I am the Washington manager and manager of the branch office in New York. Mr. Wheeler has a partner who is the active man.

Senator DAVIS. You are not a partner?

Mr. DERICKSON. No, sir.

The CHAIRMAN. You have charge of the branch office here?

Mr. DERICKSON. Yes, sir. I am certain that Mr. Wheeler would come at once if you want him. I telegraphed him at the same time I forwarded your summons. I telegraphed him that I would tell you that he certainly does not know anything more about it than I do and ask that he might be excused.

The CHAIRMAN. You state that you were manager of the Washington branch and would know of any purchase or sale of sugar stock that might have been made through Wheeler & Co. by any United States Senator. Do you know of any made in New York?

Mr. DERICKSON. No, sir.

The CHAIRMAN. Have you heard of any?

Mr. DERICKSON. No, sir.

The CHAIRMAN. Have you any reason to believe there were any?

Mr. DERICKSON. If there had been any such transaction I would know of it.

The CHAIRMAN. And you do not know of any?

Mr. DERICKSON. No, sir.

Adjourned until to-morrow, July 21, 1894, at 11 o'clock a. m.

WASHINGTON, D. C., *July 21, 1894.*

The committee met at 11 a. m., pursuant to adjournment.

Present: The chairman and Senators Lindsay and Davis.

SWORN TESTIMONY OF WILLIAM B. WHEELER.

The CHAIRMAN. Your full name, Mr. Wheeler?

Mr. WHEELER. William B. Wheeler?

The CHAIRMAN. Age?

Mr. WHEELER. Forty-four.

The CHAIRMAN. Occupation?

Mr. WHEELER. Stockbroker.

The CHAIRMAN. Residence?

Mr. WHEELER. At Pawling, N. Y.

The CHAIRMAN. Your place of business is New York City?

Mr. WHEELER. 66 Broadway.

The CHAIRMAN. What is the name of your firm?

Mr. WHEELER. W. B. Wheeler & Co.

The CHAIRMAN. Your place of business is New York City?

Mr. WHEELER. Yes, sir.

The CHAIRMAN. Had you, during last winter and spring, during this session of Congress, a branch office in the city of Washington?

Mr. WHEELER. Yes, sir.

The CHAIRMAN. Who conducted it?

Mr. WHEELER. Mr. S. P. Derickson was manager of the office.

The CHAIRMAN. How long did he conduct that branch office, up to what time?

Mr. WHEELER. I think it was the 1st of April.

The CHAIRMAN. Had he entire charge?

Mr. WHEELER. Yes, sir.

The CHAIRMAN. Of all orders for the purchase or sale of stocks that came through that office?

Mr. WHEELER. Yes, sir; the entire business of the office.

The CHAIRMAN. Would his position and duty require him to know what orders were given for the purchase or sale of any stock and would he necessarily know?

Mr. WHEELER. He must necessarily know, because the orders were before him every day and he would know if he attended to his business, as I have no doubt he did.

The CHAIRMAN. Is it a rule of your firm to see that all transactions for the purchase and sale of stock for others in the course of your business are entered?

Mr. WHEELER. Yes, sir.

The CHAIRMAN. And records are kept of all transactions of that kind?

Mr. WHEELER. Yes, sir.

The CHAIRMAN. Are you in the active management of your New York house?

Mr. WHEELER. Yes, sir.

The CHAIRMAN. I will ask you, Mr. Wheeler, whether you have seen the article in the Herald of last Thursday, July 17, headed "Senators buy sugar."

Mr. WHEELER. Yes, sir; I saw the article.

The CHAIRMAN. You are spoken of there. What have you to say of that article so far as you are concerned and your house?

Mr. WHEELER. So far as my house is concerned, there is not a particle of foundation for any statement they make there. It is, in my opinion, an ingeniously worded article, in which they do not make any direct statement. As far as my firm is concerned, there is absolutely no truth in it, and there is nothing to base those statements upon.

Senator DAVIS. So far as yourself is concerned, individually, what basis has that article?

Mr. WHEELER. Not one single, solitary iota. Not one particle of truth in it.

The CHAIRMAN. Mr. Wheeler, it has here been charged, directly or indirectly, and I will ask you whether, to your knowledge, Senator Camden, Senator Faulkner, Senator Gibson, or Senator Gorman have, during the present session of Congress, bought or sold through your firm any so-called sugar stock, directly or indirectly?

Mr. WHEELER. Directly or indirectly, never one share, so far as I know.

The CHAIRMAN. Has either of them, to your knowledge, been interested in any purchase or sale of such stock?

Mr. WHEELER. Not that I know of.

The CHAIRMAN. Would you be likely to know if it were the case?

Mr. WHEELER. If it was connected with my firm, yes, sir; I would most certainly know.

The CHAIRMAN. I will ask you, further, whether any United States Senator has, during the present session of Congress, bought or sold so-called sugar stock through your firm?

Mr. WHEELER. No, sir.

The CHAIRMAN. Directly or indirectly?

Mr. WHEELER. Directly or indirectly.

The CHAIRMAN. Has any United States Senator, to your knowledge, been interested in the purchase or sale of sugar stock through your firm?

Mr. WHEELER. Never, to my knowledge.

The CHAIRMAN. Have you ever seen what purported to be a photograph of an order from a United States Senator to anybody for the purchase or sale of sugar stock?

Mr. WHEELER. I never heard of any until I saw it in the Herald; I believe it said something about it. Either there or I heard it as a rumor in the street. That I would not be certain about.

Senator LINDSAY. A rumor based upon the Herald article?

Mr. WHEELER. Evidently.

Senator DAVIS. You never saw such a photograph?

Mr. WHEELER. Never.

Senator DAVIS. Did you ever have in your possession any order from which a photograph could have been made?

Mr. WHEELER. I never did.

The CHAIRMAN. Mr. Wheeler, who is the Mr. Thayer alluded to in this article? Is he in your employ?

Mr. WHEELER. He was our telegraph operator in Washington. He is not in our employ now.

The CHAIRMAN. When was your branch office in Washington closed?

Mr. WHEELER. I think about the 1st of April.

Senator DAVIS. Mr. Wheeler, before the appearance of this article in the Herald were you applied to by any newspaper reporter for an interview?

Mr. WHEELER. No. I think they applied to my man uptown, Mr. Derickson, and Mr. Derickson did not grant them an interview. I believe he asked them the question: "Why don't you go to Mr. Wheeler, to headquarters, first?"

Senator DAVIS. Did anybody ever come to you?

Mr. WHEELER. They came to me and I positively denied, and the Herald put it in a day or two later.

Senator DAVIS. You mean that after this article appeared a man who said he represented the Herald came to you and you positively denied the truth of the statement that had appeared in the Herald?

Mr. WHEELER. I did, most decidedly.

Senator DAVIS. And what publicity did the Herald give to your denial?

Mr. WHEELER. I don't think they paid any attention to it. My impression is, they did not. After this my partner made an open statement that we never have directly or indirectly traded for any Senator during this or any other session of Congress, in either sugar stock or anything else. They then published something of that kind, in a half way, as much as to say, they say so. If anything further was published I never saw it.

SWORN STATEMENT OF HENRY EDWARD ROOD.

(July 21, 1894.)

The CHAIRMAN. Your age?

Mr. ROOD. Twenty-seven.

The CHAIRMAN. Residence?

Mr. ROOD. My summer residence is White Stone, Long Island. My office is the New York Herald.

The CHAIRMAN. Occupation?

Mr. ROOD. Newspaper man.

The CHAIRMAN. Are you the author of the article here in the Herald of date July 17?

Mr. ROOD. Yes, sir.

The CHAIRMAN. We have all read this article, and you have no doubt refreshed your recollection by reading it since it was published?

Mr. ROOD. Oh, yes. I have read it and refreshed my recollection.

The CHAIRMAN. Will you state the information upon which that article was written?

Mr. ROOD. Yes, sir; with the reservation of one thing. That single reservation is as to one man to whom I am pledged, so far as his name is concerned, not to reveal. I was talking with a gentleman on another matter about a week before the article appeared, and he casually mentioned that he had seen the order which is alluded to in that article.

The CHAIRMAN. What order is that?

Mr. ROOD. An order from a certain Senator given to a broker in Washington who was the correspondent of a New York brokerage firm, ordering that sugar certificates be purchased.

The CHAIRMAN. Did he state the name of the Senator?

Mr. ROOD. Not at that time. He stated it later.

The CHAIRMAN. Did he state the name of the brokerage firm?

Mr. ROOD. No, sir; he told me the name of the person who showed it to him.

The CHAIRMAN. Did your informant say that he had seen the order?

Mr. ROOD. And had handled it. His name I am perfectly willing to reveal, and to produce him here.

The CHAIRMAN. This is the person to whom you allude in the beginning of the article: "The person from whom this statement was obtained is a man of affairs, of acknowledged integrity and wealth?"

Mr. ROOD. No, sir; I had more than one source of information. Mr. Bruce gave me the name of the gentleman alluded to in the first paragraph. I went right to that gentleman. He told me that he would give me such information as I desired, provided that I would pledge myself, as a newspaper man, not to reveal his name without his permission; that he might give me permission in the future. Of course I made that pledge. He then went on to tell me that he had been talking with a friend of his who suddenly pulled this order out of his pocket, as related in that article, and showed it to him, relating the circumstances of how it came into his possession, also alluded to and described in this article. My informant then borrowed that order, according to his statement (saying that he wished to examine it at his leisure), for four hours, and sent it back after a photograph had been made in the meantime. He had shown this paper to Mr. Bruce, who described it to me and is willing to come here and even draw a diagram of it.

The CHAIRMAN. Did he tell you whose name was attached to the order?

Mr. ROOD. My informant did not. He told me in this way: That it was one of the four gentlemen mentioned in the Herald dispatch of the Friday previous, that is, a week ago yesterday, as being opposed to a reduction of the tax on coal and iron ores.

The CHAIRMAN. These four Senators were who?

Mr. ROOD. The ones mentioned here (referring to the Herald article), Camden and Faulkner, of West Virginia, and Gorman and Gibson, of Maryland.

The CHAIRMAN. One of those four?

Mr. ROOD. Yes, sir.

The CHAIRMAN. Did he say to you that it was one of those four?

Mr. ROOD. He stated that definitely and positively. Previously to that I asked him if it was Senator Cameron, because I had heard a name very much like that in connection with the whole business on the street. He said "not Cameron, but a name which resembles it very closely." I said "Won't you give me a clue?" He said he would give me a clue, which he did. He also said he thought he could put me in possession of the original document. I tried my utmost to get the photograph from him that day, but he said he would much rather give me the original document. I inquired as to who was the broker's agent, and he would not tell for a long time. Finally he said the agent had been, until about the 1st of May, the Washington representative of a New York brokerage firm and at the present time—the time when I was talking with my informant—he was not in their employ, but was spending a great deal of time about the Hotel Windsor, in New York City, and that his residence was in Long Island; that he was a short, thick-set man, about middle age. Well, the Washington representatives of the Herald were at once instructed to scour the city and find out what branch offices of New York brokerage firms, if any, had closed up about that time, and to get the names of all persons connected with those branch offices, and where they were now.

Information came that the only firm which could be located that night was that of W. B. Wheeler & Co., who had had a branch office here, which closed up about that time, in charge of Mr. Thayer and Mr. Derickson; that Mr. Thayer was still in the city and Mr. Derickson had

gone to New York. With that information I went immediately to the Hotel Windsor, in Fifth avenue, and inquired if there was a Mr. Derickson there who had been a broker in Washington, and was immediately ushered into the branch office of W. B. Wheeler & Co., in the hotel. I saw that Mr. Derickson corresponded with the description, except that he is not a short man. I asked him if he had recently been representing the house in Washington, and he said he had. I told him the circumstances, beginning with the fact that I did not wish to try and trip him with any cross-questions; that the Herald did not do business that way; but I was instructed to go and lay my information before him and ask him if he had received that order, or had any knowledge of it. Mr. Derickson started in his chair, looked at me, and apparently grew very angry.

He said, "It is none of your business what I may have done in Washington with regard to this order or any other. That is my private affair entirely. I refuse to answer any questions whatever in regard to it." I explained to Mr. Derickson that we did not wish to proceed with the matter, seeing that he refused to deny it, unless he realized what effect it would have, and we talked about a number of other matters, finding that we had acquaintances in common in various parts of the country, and I alluded to the broker's order two or three times, because my instructions were to use the utmost care in regard to this broker. But Mr. Derickson, in the end, refused to give me any information as to affiming or denying it, and then I started out to find some of the firm of Wheeler & Co., and was told that they were out of the city and did not stay in the city during the hot weather, and that their office had been closed. Thereupon I wrote that article. I rewrote it almost entirely twice, because of its importance. I merely explain this, gentlemen, to show that it was done with great care. And that third copy was the one that was printed.

Before that article came out I had seen my informant at least six times and he had reiterated many things, almost everything, that I published. The last time I saw him was a week ago to-day, when I went to his office, spent considerable time there, and accompanied him part way on a journey he was about to make out of the city. He then told me that while he had had that photographic copy and knew where the original order was at that time, yet he had decided that he would not have it printed in the Herald, as he had intended all along, because it was then just being sent to a member of the conference committee to be used as a coercive measure to bring another Senator around to a reduction in the schedule of an article in which he had some interest——

The CHAIRMAN. In which your informant had some interest?

Mr. ROOD. Yes, sir.

Senator LINDSAY. Did he say in what way that photograph was to bring the Senator around—how it was to accomplish it?

Mr. ROOD. He did not use the words "coercive measure." He said, illustrating this way with his hands [indicating], "When that is shown the Senator, he may vote for a reduction in the schedule."

Senator LINDSAY. What schedule was that, do you recollect?

Mr. ROOD. He would not mention. He was a very shrewd and keen man.

Senator LINDSAY. It was not the sugar schedule?

Mr. ROOD. He did not mention. Of course, I am only testifying to what I know as facts.

Senator LINDSAY. Did you infer that it was some other schedule?

Mr. ROOD. I inferred it was, because I had known that this gentle-

man was exceedingly anxious—he had talked to me about it—about the tariff on lead, pig lead, and white lead rates, and I had been informed by a person other than himself (and believed at that time) that he had lost a great deal of money some years ago, estimated at about $200,000, through the agency of a person who is very intimately connected with what is commonly known as the white lead trust, and had been trying ever since to have an opportunity to get back at this person.

Senator LINDSAY. Was this person of whom you speak any connection of Senator Camden?

Mr. ROOD. I want to just say here that the gentleman who is supposed to have injured my informant in business was not mentioned by my informant. I had heard on the street, as I described previously regarding this matter, and it is mere hearsay, that this person who is alleged to have injured my informant is President Thompson—W. P. Thompson; but you will understand that is mere hearsay on the street.

The CHAIRMAN. Did you know that Mr. Thompson was a brother-in-law of Mr. Camden?

Mr. ROOD. Mr. Thompson told me so.

The CHAIRMAN. Now proceed with your statement.

Mr. ROOD. The article was published and the day it was published I started on a search for another gentleman who used to be a broker's agent in Washington. Mr. Derickson having said that he would say nothing whatever in regard to denying it, on the same day, the 17th of July, I made it my business to see the office of Wheeler & Co. There I learned that both members of the firm had left, and their chief clerk gave me the information which I published the next morning.

The CHAIRMAN. That was the denial published in the Herald of July 18?

Mr. ROOD. Yes, sir; the statement which I obtained from a gentleman in their office who, I was told, was their chief clerk. Here is the denial printed the next morning in the Herald [reading]:

I was told in the office of W. B. Wheeler & Co., No. 66, Broadway, yesterday, that they knew nothing about any sugar-trust certificates said to have been sold to a Senator who had since denied that he purchased them.

On that same day, July 18, I received a letter from W. B. Wheeler & Co., by messenger, asking that we publish a statement which we did publish verbatim, in quotation marks, in the Herald of July 19.

The CHAIRMAN. You state here directly after that denial of Wheeler & Co.:

It has since been learned that the Washington branch of another New York brokerage firm quietly closed its doors about the time the sugar scandals were made public.

What firm was that?

Mr. ROOD. That is the next step in my story, sir. That same evening I learned from Washington that if Wheeler & Co. did not execute that order for certificates of the sugar trust, the order might have been placed through the branch house of Seymour, Young & Co., of New York, whose branch office was situated in the Normandie at Washington; that a gentleman by the name of S. G. Battershaw, or Battershall, represented that firm here at the time and was then in New York. Now, that brought to my mind an incident I had entirely overlooked, which had occurred during my interview with Mr. Derickson in the Hotel Windsor. When I was talking with Mr. Derickson, and he declined to give me any statement, he turned around to a gentleman in the inner office, who, in a general way, tallied with the description furnished by my informant of the broker who had this order

for sugar certificates, and Mr. Derickson said, after asking my name, "Let me introduce you to Mr. Battershaw, who just came from Washington about a month or six weeks ago;" and then he added, "Mr. Battershaw knows a great deal more about Washington events in which you are interested than anyone else that I know of."

I thought that Mr. Derickson just said that in an offhand way and attached no significance whatever to it, and, after talking for a few moments with Mr. Battershaw, I walked out. When Wheeler & Co. made their absolute denial, which was accepted, of course, knowing the standing of the firm, I immediately started on a hunt for this man Battershaw, because another source of information had confirmed the first one from Washington that he was the person who, perhaps, had received the order. Mr. Derickson said that Mr. Battershaw had not been in his office for several days—since the day I was there—that he had expected to come in the next morning, which would be the morning after the first article was published in the Herald, but that he had not been there. I learned later that Mr. Battershaw's family lived at Sea Cliff, Long Island, and I took a train at 5 in the morning, Thursday, in order to make sure that I would catch Mr. Battershaw before he went to New York or went anywhere.

The CHAIRMAN. That was last Thursday?

Mr. ROOD. That was day before yesterday. From that time until I started for Washington last night I was—lacking four hours' sleep—constantly on the search for Mr. Battershaw. He was not at Sea Cliff. I saw his father, who told me that he thought he had gone across the sound to the New York side somewhere.

Among other assistants I pressed into service a gentleman who had been writing some society news from that region of the country. I said I wanted to find Mr. Samuel Battershaw and "you must go out and help me to-night right off." He said, "I believe we have got the man right here for you." He turned over his notes and found that Mr. Battershaw and family were guests of a hotel in Larchmont from which he had just come on his rounds as a summer resort correspondent. Thereupon we jumped out to Larchmont on the first train and went directly to this hotel, the Belvidere, and were told there that Mr. Battershaw had been on the piazza about fifteen minutes before we arrived, walking around, and had just gone to the Larchmont Club. We hired carriages and from that time all night searched for that man everywhere, even making a tour of the tenders of yachts in the harbor. His wife also we could not find.

I stayed there all night waiting for him to come home. The next morning I hurriedly ate breakfast and sat down to camp out for him. His wife was there and the hotel clerk tried to put me off the track. I told him that it was an important matter and I must find Mr. Battershaw or Mrs. Battershaw at once. I found a gentleman in the hotel who had known me some time before as a newspaper man, and he gave me what assistance he could, and I finally succeeded in getting a note through to Mrs. Battershaw. I wrote this note in order not to make her suspicious that anything was going wrong with her husband, and I did not think, and I do not think now, there was anything wrong whatever. I told her that it was necessary for me to see Mr. Battershaw in a matter regarding stocks in which he had an interest and I had an interest, and which I thought might affect, in some way, Wheeler & Co., because, if I could find Mr. Battershaw and he would tell me he had that order, it would relieve Mr. Wheeler entirely, and in that way it affected him.

Mrs. Battershaw sent word from the dining room, declining to see

me, saying that her husband had gone off on a yacht, and she believed he was probably becalmed somewhere and was expected in the office of Wheeler & Co. that day. I had meanwhile dismissed the assistant whom I had with me, so that he could get a little sleep, and I made arrangements to charter a launch, if necessary, to speak every craft in Long Island Sound. Expecting to hear from this committee, I jumped into New York on the first train and, finding nothing there, I went to Wheeler & Co.'s uptown office—that was yesterday—and was told that Mr. Battershaw had not been seen in the city since July 17, the day upon which the Herald published this first article. I learned from a gentleman who was then taking Mr. Derickson's place in the uptown office of Wheeler & Co. that they had received a message from Mr. Battershaw, saying that he was going to Saratoga. I thought that was strange, because his wife had assured me that he was on a yacht becalmed in Long Island Sound, and within five minutes a message was going to Saratoga with instructions to a gentleman there to scour the city for Battershaw.

And as soon as that had been sent I hurried back to Larchmont, because I knew that a breeze had come up in the meantime and, if Mrs. Battershaw was correct in her statement that her husband had been becalmed, he would be down pretty soon. It was a spanking little breeze. I went all over that town and finally got the clerk in the hotel to realize the importance of my call upon Mr. Battershaw. I went to the club of which he was a member and to the one where he had been introduced, and paid persons connected with one of them to let me know instantly by telephone, or wire, in case Mr. Battershaw came in. I then went around to the launch to start out on it if necessary. I stayed there until 5 o'clock, when I wired another man to come and relieve me, and came in to the city and got your message.

The CHAIRMAN. What day was that?

Mr. ROOD. That was last evening.

The CHAIRMAN. Do you know when the first message came to the Herald from this committee?

Mr. ROOD. No, sir; I do not.

The CHAIRMAN. I want to say that the telegram was sent on the day the article appeared in the Herald.

Mr. ROOD. I think it was received that day, and if there was any delay in replying it was merely a matter of conference, I am sure.

Senator DAVIS. Have you found Battershaw?

Mr. ROOD. I had a man watch Battershaw's residence all night.

Senator DAVIS. You have not found Battershaw?

Mr. ROOD. We have not found Battershaw.

Senator DAVIS. What is Battershaw's residence in the directory?

Mr. ROOD. There is none. I was told by a Herald man, who lived next door to him for fifteen years, that his name is Samuel G. Battershall.

The CHAIRMAN. Does either Mr. Wheeler or Mr. Derickson know anything about his whereabouts?

Mr. ROOD. He is employed by Wheeler & Co. at the present time, I am told.

The CHAIRMAN. Do they know anything of his whereabouts?

Mr. ROOD. I do not know. Mr. Derickson tells me he knows nothing about his whereabouts. Mr. Bruce's wife has been very seriously ill and is in such a critical condition that he can not appear before this committee previous to Tuesday. For two days Mr. Bruce has been after that photograph for me.

The CHAIRMAN. That photograph was in the possession of your informant—the person you speak of in the article of the 17th as your informant—was it?

Mr. ROOD. That photograph was taken under his instructions, and was in his possession. He told me it was to be sent, a week ago to-day, to the conference committee, and it is reasonable to suppose that he has the negative or a copy of it.

Senator LINDSAY. Did he tell you which member of the conference committee he was going to send it to?

Mr. ROOD. No, sir; he did not.

The CHAIRMAN. Did he say whether it was a Democratic or a Republican member?

Mr. ROOD. He did not state.

Senator LINDSAY. Did he state whether it was a Senate or a House member?

Mr. ROOD. He did not, sir.

The CHAIRMAN. After reading your article in regard to the sending of that photograph to a member of the conference committee, I thought it my duty to institute an inquiry among the members of that committee and did so, and every member of that conference committee, both House and Senate, has said that no such photograph has been received by him—I should say with the exception of Mr. Wilson, of West Virginia, whom I was not able to see and who has now left town. I was told by a member of the conference committee that he was very sure Mr. Wilson had not such photograph. Every other member has denied categorically that he had ever received the photograph.

Mr. ROOD. It is possible that after Saturday morning, a week ago to-day, when he said that it was on the way to a member of the conference committee, he reflected that it might get out. It is barely possible that what he meant by being on the way was that he was having it packed or prepared. I interpreted it that it was on the way by mail or express, and so stated in the introductory paragraph.

Senator LINDSAY. It is also possible that he was not telling you the truth.

Senator DAVIS. That is a possibility.

The CHAIRMAN. You are liable to be imposed on by informants, of course.

Mr. ROOD. But this gentleman is a man of reputed integrity; that is to say, he is a man of very large means and——

Senator LINDSAY. Do you regard his avowed purpose of using that order to compel a member of Congress to change his course, in a matter in which the public are interested as consistent with integrity?

Mr. ROOD. I have no opinion on that.

Senator LINDSAY. You do not choose to form an opinion about it?

Mr. ROOD. I do not wish to express an opinion about it; I do not think I have any on it.

Senator LINDSAY. You have expressed the opinion that he is a man of integrity?

Mr. ROOD. Yes, sir; I told him a number of times that, as a good citizen and a man of patriotism, he ought to give that to me. He said he thought he would; he had no objection to it; that that was why he had the photograph taken in the first place.

Senator DAVIS. Did he say that at first or afterwards?

Mr. ROOD. In the beginning.

Senator DAVIS. And afterwards he gave what you have just detailed as the reason why he would not give it to you then.

Mr. ROOD. Yes, sir. What I know about Bruce's personality is simply this: We learned that he had a charge of fraud against the Government, which he had filed with a concern in New York; and I came into connection with Bruce merely in getting up a series of articles upon the subject of the alleged frauds he charged. Of the figures he gave me and the statements he made those which I have been able to verify from the offices of the concern have been true. That far Bruce has not imposed upon me in any way in regard to that series of articles. Therefore I think, so far as I know, he is a man who tells the truth.

Senator LINDSAY. I was speaking to you not about Mr. Bruce, but about the gentleman whose name Mr. Bruce gave you, whom you allude to in your article as your informant, and whose name has been suppressed. I asked you the question sometime since as to whether you regarded the avowed intention of your informant to use this photograph so as to compel a Senator to change his course as a member of the conference committee upon a public question, as consistent with integrity, you having said that you regarded your informant as a man of integrity.

Mr. ROOD. I would not do that myself.

Senator LINDSAY. Can you distinguish between that and a term which is frequently used, "blackmail"—holding a paper *in terrorem* over a public man to compel him to change his course in discharging his public duty?

Mr. ROOD. No, sir; I can not. Bruce tells me that he has seen that original order. He drew a diagram of it for me. He said that the original order was handed to him; he saw that it was on roughened paper, but he did not realize its importance and so he did not examine it closely. He saw writing upon it, and so on. He said, however, that he could positively identify that paper.

Senator LINLDSAY. Did he see the signature to it?

Mr. ROOD. Not at that time.

Senator DAVIS. Let me ask, Mr. Rood, did you gather from conversations with Bruce that this was a telegraphic order, or the original autograph order?

Mr. ROOD. It was the original autograph order, as I gathered it from Mr. Bruce, written on a square piece of paper.

Senator DAVIS. Dated where, did you infer?

Mr. ROOD. Of course I inferred that it was Washington, but do not want to testify to any inference. Bruce said yesterday that since then he had seen an etching and also a photograph of it, which he can describe accurately, including the alleged signature of the Senator.

Senator DAVIS. Did he ever state whose signature it purports to be?

Mr. ROOD. Yes.

Senator DAVIS. Whose?

Mr. ROOD. Mr. Bruce told me that, upon the etching and also upon the photograph, the signature was alleged to be that of Senator Camden.

Senator DAVIS. Did he tell you in whose hands that photograph or the original is?

Mr. ROOD. He told me, in the first place, in whose hands the photograph was and who showed it to him. That person is my informant.

Senator DAVIS. If Bruce told you, what did he say?

Mr. ROOD. In the hands of my informant.

Senator DAVIS. Did he name the informant?

Mr. ROOD. Yes, sir. He was the person who told me of the story in the first place.

The CHAIRMAN. Which caused you to go to the man you call your informant?

Mr. ROOD. Yes, sir.

Senator DAVIS. Are you under any obligations of secrecy to Bruce?

Mr. ROOD. None whatever.

Senator DAVIS. Will you tell in whose hands he said this photograph was?

Mr. ROOD. That would be breaking faith with my informant.

Senator DAVIS. You decline to state it?

Mr. ROOD. Yes, sir.

Senator DAVIS. Did Mr. Bruce state what was the date of this order?

Mr. ROOD. No, sir.

Senator DAVIS. When did you say this conversation with Bruce was?

Mr. ROOD. Almost every day since certainly a week previous to the publication of that article. I think it was July 11; as far back as that.

Senator DAVIS. Did Bruce state, or did you infer from any of his statements, whether it was a recent order or one given some time back?

Mr. ROOD. Bruce stated to me, and my informant corroborated him fully in that statement, that the order was given shortly before the phenomenal rise in sugar certificates.

Senator DAVIS. When was that?

Mr. ROOD. I think it was in the latter part of April; I am not certain about that. I was not interested in sugar news to any extent at that time. I can not tell; it was previous to the investigation by the Senators.

I have seen Bruce almost every day since then, and he was told to do anything he could to procure the original, or to procure the photograph or the etching any way. I saw him at 12 o'clock noon yesterday, and he reported that he had seen my informant and that the latter refused absolutely to do anything further with it. I have sent him back and told him to use every endeavor to get hold of the photograph and to tell the informant that it was a matter of citizenship, that he ought to do it, and that he must do it, because, if this thing were true, as he alleged, it must be known sooner or later, and it would be very much more to his personal interest, if he cared nothing for patriotic feeling, to let it come out voluntarily. I found, when I got in from Larchmont last night to receive your telegram, a note written by Bruce, in which he said that my informant had absolutely refused to do anything whatever further in regard to producing the photograph.

The CHAIRMAN. Let me ask you right there. Did you state what Mr. Bruce's business was and who he was?

Mr. ROOD. No, sir.

The CHAIRMAN. What is his business?

Mr. ROOD. The last business he was in, to my knowledge, was as statistical clerk for the National Lead Company. I am not a personal friend of Mr. Bruce at all, merely a passing acquaintance.

Senator DAVIS. Will Mr. Bruce state the name of the gentleman you call your informant, if he come before the committee?

Mr. ROOD. I do not know, sir.

Senator DAVIS. What is his full name?

Mr. ROOD. George Bruce.

Senator DAVIS. What is his address?

Mr. ROOD. George Bruce, No. 68 East One hundred and tenth street, New York City.

The CHAIRMAN. Is there anything else you wish to say in general statement before we proceed to ask questions?

Mr. ROOD. No, sir; I do not think of anything else.

The CHAIRMAN. If I have not already asked you, I wish to ask you now, and if I have already asked you, I wish to ask you again, can you give us, or will you give us, the name of your informant?

Mr. ROOD. I can not, sir, without breaking faith, and that I must decline, respectfully, to do.

Senator DAVIS. That is the only ground for your refusal?

Mr. ROOD. Yes; that is the only ground, of course, because if it were a matter of personal aggrandizement I should never have brought this to the Herald or to the notice of this committee. I would like to make one more statement. It is this, regarding Mr. Battershaw: I know nothing absolutely regarding his possession of that original order. The only things upon which I worked were the many circumstances leading me to suppose, from his description and other information given me by my informant, that he might be the person.

The CHAIRMAN. Did you ever see Mr. Thayer?

Mr. ROOD. No, sir.

The CHAIRMAN. Have you any reason to believe he has any information?

Mr. ROOD. I have no reason to believe that he has.

SWORN TESTIMONY OF ALBERT M. SEIP.

(July 21, 1894.)

The CHAIRMAN. Your full name, Mr. Seip?

Mr. SEIP. Albert M. Seip.

The CHAIRMAN. Your age?

Mr. SEIP. I am 54 years old.

The CHAIRMAN. Residence?

Mr. SEIP. Washington.

The CHAIRMAN. Occupation?

Mr. SEIP. I have retired from business.

The CHAIRMAN. Mr. Seip, have you any personal knowledge as to the transactions of any Senators of the United States in so-called sugar stock during the pendency of the tariff bill in the Senate?

Mr. SEIP. I desire to be perfectly frank in this matter and I have a doubt as to the full purport of the question. I have certain knowledge, but——

The CHAIRMAN. What is that knowledge?

Mr. SEIP. The knowledge that I have of certain transactions in sugar is contained in certain private and confidential letters which I have in my possession.

The CHAIRMAN. Were they written by Senators?

Mr. SEIP. No, sir; they were not.

The CHAIRMAN. Will you state by whom they were written?

Mr. SEIP. Yes; I will state by whom they were written; they were written by Emile Guillaudeu.

The CHAIRMAN. Who is he?

Mr. SEIP. The junior partner of W. B. Wheeler & Co., brokers in New York.

The CHAIRMAN. Have you his letters?

Mr. SEIP. I have such letters.

The CHAIRMAN. Will you give them to the committee?

Mr. SEIP. I desire here to claim, as I am advised, the privilege that exists in such matters. These letters contain business matters and private business matters.

The CHAIRMAN. Can you give so much of them as does not relate to your private business matters but does relate, if it relates at all, to the matter that we are inquiring about?

Mr. SEIP. I have been served with no subpœna that requires me to produce these letters. Does the committee insist that it has that——

The CHAIRMAN. It does not require a subpœna to require you to produce letters which you have with you. A subpœna *duces tecum* is only to inform you in order that you may have the letter present before the enjoining authorities. You say you have the letters here?

Mr. SEIP. Yes, sir; that is the truth. Does the committee insist on the production of the letters? I have taken legal advice in this matter.

The CHAIRMAN. What is that advice?

Mr. SEIP. That advice would be protected, Senator.

The CHAIRMAN. Yes, sir. You are at liberty to do as you please. Acting upon that advice, what is your answer to the committee's question that you will give them the information that you have in these letters of which you speak?

Mr. SEIP. Of course, if I follow the advice and the committee insist upon the production of the letters, I will produce them.

The CHAIRMAN. The committee do insist.

Mr. SEIP. I would like to make here an explanation of my position in the matter.

The CHAIRMAN. You are at liberty to make any explanation you please.

Mr. SEIP. I have had these letters in my possession since the 20th and 21st of June last, and as they were confidential letters they were shown to no person except Governor William Pitt Kellogg, by authority of the writer. I have kept the matter confidential and now am not desirous of producing the letters if their production could be avoided.

Senator LINDSAY. Now, Mr. Seip, you have taken counsel as to what your rights are in the matter. It is not part of the duty of this committee to advise you what you should or should not do, and the committee does not propose to take the responsibility. Now, you have that legal advice and, being asked whether or not you are willing to produce the letters, we are entitled to an answer, yes or no.

Mr. SEIP. I have such legal advice, and took all afternoon yesterday to get such legal advice. I consulted two attorneys about it and their advice, as a matter of course, I say to the committee, I am willing to follow if the committee insists upon the production of the letters.

The CHAIRMAN. The committee insists upon the production of those letters.

Mr. SEIP. I would like to demand, for my own protection, the subpœna that I spoke of.

The CHAIRMAN. What subpœna? Was a subpœna served upon you yesterday?

Mr. SEIP. Yes, sir; but I have no subpœna that requires me to produce such letters.

(The clerk was directed to prepare the necessary subpœna.)

Senator LINDSAY. While the subpœna is being prepared, I will ask you if you have any other information or knowledge connecting United States Senators with transactions in sugar stock, and, if so, what knowledge you have?

Mr. SEIP. I have certain knowledge upon which I acted in buying and selling sugar stock. The information that I speak of——

Senator LINDSAY. I should not have asked you for information, but only for knowledge. What was the knowledge you acted upon?

Mr. SEIP. What I call hearsay knowledge.

Senator LINDSAY. Leaving out hearsay evidence, what ocular knowledge? What was the knowledge you say you acted upon?

Mr. SEIP. The information upon which I acted was given to me by William Pitt Kellogg.

Senator LINDSAY. I am not asking you for information. Have you any knowledge in addition to that information? We will examine Mr. Kellogg about the information. If you had any other knowledge in addition to the information from Kellogg, what was that knowledge?

Mr. SEIP. I haven't any that I now can recollect, except you refer to my having seen certain Senators in the office of Corson & Macartney, and having seen a certain Senator, as I supposed he was, having in his hand an account such as I am accustomed to receive from that office—a monthly statement.

Senator LINDSAY. When did you see these Senators?

Mr. SEIP. I saw one in Corson & Macartney's office, brokers, of this city, the last day of the last session.

Senator DAVIS. Of the extra session?

Mr. SEIP. Of the extra session. A gentleman, who I understood to be and recognized as Senator Anthony Higgins, having in his hand what I supposed to be a monthly statement, such as Corson & Macartney are accustomed to give their customers.

The CHAIRMAN. What other Senators did you see there?

Mr. SEIP. I have seen this spring very frequently in Corson & Macartney's office Senators Brice, Quay, and Smith.

Senator LINDSAY. Where is that office?

Mr. SEIP. It is on F street, between Fourteenth and Fifteenth streets.

Senator DAVIS. Have you ever seen Mr. Higgins in that office during the present session?

Mr. SEIP. I have not. I never saw this gentleman whom I took to be Mr. Higgins present but on that one occasion.

Senator DAVIS. Was this thing you supposed to be an account open so that you could see what it was? Did he have it in his hand?

Mr. SEIP. It was folded up, with writing on the back. I could not see it as I passed through the room.

Senator DAVIS. Operations in sugar were not then engaging public attention?

Mr. SEIP. No, sir. I do not assert that this was an account, but merely an inference of mine from the fact that I had similar papers.

Senator DAVIS. How did you identify it—by shape, color, or what?

Mr. SEIP. Shape, color, and handwriting. I could not see the handwriting upon the paper distinctly. I had been receiving statements from them for the past year. The top of them is in print and the rest in handwriting.

Senator DAVIS. I want to know if this account was open or folded up in his hand?

Mr. SEIP. Folded up. I will not be certain about it. I think he was looking at it.

Senator DAVIS. How far were you from it?

Mr. SEIP. As near as to you.

Senator DAVIS. Were you passing through the room?

Mr. SEIP. I passed right by it.

The CHAIRMAN. When did you see Senators Brice, Smith, and Quay there?

Mr. SEIP. I saw them frequently this spring.

The CHAIRMAN. Did you know anything as to what their business was there?

Mr. SEIP. No, sir; not of my own knowledge.

The CHAIRMAN. Did you see any accounts of purchases or sales by them?

Mr. SEIP. No, sir.

The CHAIRMAN. Did you hear any member of the firm say they had bought or sold sugar stocks?

Mr. SEIP. Never.

Senator DAVIS. Did you ever on any occasion hear a conversation between Senators and members of that firm?

Mr. SEIP. I took particular pains not to hear. The rooms are communicating. One could hear if he so chose. I chose not to hear.

The CHAIRMAN. There was nothing apparently concealed or surreptitious about the talk or presence of any of those Senators there?

Mr. SEIP. No, sir.

Senator DAVIS. How many times did you see those Senators there?

Mr. SEIP. I will make a moderate estimate. I have seen each of the Senators, with the exception of Senator Higgins—if it be Senator Higgins, for I am not certain that it is Senator Higgins—at least half a dozen times.

Senator DAVIS. Together or separate?

Mr. SEIP. Separate, and coming in upon different times.

The CHAIRMAN. Did the presence of those Senators there in the office of Corson & Macartney influence you in your transactions in regard to sugar?

Mr. SEIP. Of course; their presence there did, for it was frequently talked about. Their operations were referred to.

The CHAIRMAN. By them?

Mr. SEIP. Not by them; no, sir.

The CHAIRMAN. Were you ever there, or were you ever present at any conversation between them and the firm of Corson & Macartney when an order for the sale or purchase of sugar stocks was given?

Mr. SEIP. No, sir.

The CHAIRMAN. Did you ever hear either of them say that they bought or sold sugar stocks?

Mr. SEIP. No, sir.

The CHAIRMAN. Did you ever hear any member of the firm say they did?

Mr. SEIP. No, sir.

(At this point a *subpœna duces tecum* was served upon the witness, by Henry H. Smith, clerk of the committee, by direction of the chairman, commanding him to produce the letters to which he had referred.)

Mr. SEIP. In accordance with the subpœna, and in compliance with the instructions I have received, I produce two letters from Emile Guillaudeu. Parts of them refer to my private business and the other parts refer to this public business.

The CHAIRMAN. What are the dates of the letters?

Mr. SEIP. The first one in date is dated June 19, 1894.

The CHAIRMAN. Where?

Mr. SEIP (reading):

[William B. Wheeler, Emile Guillaudeu, branch office, Windsor Hotel, New York.]

W. B. WHEELER & CO., STOCK BROKERS,
No. 64 Broadway, New York, June 19, 1894.

MY DEAR SIR: I see that Smith, of New Jersey, and Camden, of West Virginia, both swear that they had not speculated in sugar stock. I could produce a man or, that is, I know a man (I do not think he would go back on them) who was in my

office this morning, that received orders in sugar from both of them, and he has Camden's written order. I should think that if a Senator swore falsely it was a pretty serious matter. Do they answer these questions under oath?

(Signed, with a portion omitted.)

Yours, very truly,

E. GUILLAUDEU.

A. N. SEIP, Esq.,
Washington, D. C.

Senator LINDSAY. You need only give the date of the other.

Mr. SEIP. Same head. The next one is dated June 21, 1894, and the word "confidential" in writing. I will read this part of it:

A. N. SEIP, Esq.,

DEAR SIR: Your letter received, for which please accept my thanks. I entirely approve of your showing the matter to the governor.

That refers to Governor William Pitt Kellogg.

In regard to the sugar matter, I have had a talk with my friend, and he could not in honor use the information, as the orders and the business were given to him. I think you know the man. I have before me now the written order for 500 shares of sugar to buy at 83⅞ and 83¼ or less, under date March 2, and signed by the Senator in question. The orders from the other Senator were verbal. There is no way that I can see, without his direct testimony against these people, that the information can be used, and that would be dishonor, and he refuses to do it, and I applaud him in it. Could you suggest any way that would leave him out entirely that it could be used?

(Signed, leaving out a portion regarding a dividend.)

Yours, very truly,

E. GUILLAUDEU.

Senator LINDSAY. Did you reply to that letter?

Mr. SEIP. I did reply to both these letters.

The CHAIRMAN. He refers to the written order of one Senator and the verbal order of the other.

Mr. SEIP. Yes, sir.

The CHAIRMAN. How do you understand that? Which Senator gave the written order and which the verbal order?

Mr. SEIP. I understand from these letters and the context that Senator Camden gave the written order and Senator Smith the verbal order.

Senator DAVIS. Have you now produced all the correspondence you have that bears upon this subject?

Mr. SEIP. I have.

Senator DAVIS. Do the extracts you have read from these letters cover everything pertaining to this question of speculating in sugar stocks, the rest of the letters being in regard to your purely private business?

Mr. SEIP. Yes, sir.

Senator DAVIS. It is stated in one of the extracts read by you, if I remember correctly, that you, Mr. Seip, doubtless know this person.

Mr. SEIP. Yes, sir.

Senator DAVIS. Do you know that person?

Mr. SEIP. I think I do.

Senator DAVIS. Who is he?

Mr. SEIP. The name given to me is the name of Samuel Battershaw, who was in the employ of Seymour Bros. & Young, in this city, and is now in New York City.

(Adjourned until 11 o'clock a. m., July 23, 1894.)

WASHINGTON, D. C., *July 23, 1894*.

The committee met pursuant to adjournment.

Present: The chairman (Senator Gray), Senators Lindsay, Davis, and Lodge.

SWORN TESTIMONY OF EMILE GUILLAUDEU.

The CHAIRMAN. Your age?

Mr. GUILLAUDEU. Thirty-six.

The CHAIRMAN. Residence?

Mr. GUILLAUDEU. New York City.

The CHAIRMAN. Occupation?

Mr. GUILLAUDEU. Stockbroker.

The CHAIRMAN. Are you a member of the firm of Wheeler & Co.?

Mr. GUILLAUDEU. I am the only partner that Wheeler has.

The CHAIRMAN. How long have you been such?

Mr. GUILLAUDEU. A little over seven years.

The CHAIRMAN. Have you been actively concerned in the business of that firm during the last winter and spring?

Mr. GUILLAUDEU. Yes, sir.

The CHAIRMAN. You have seen the articles in the Herald of Tuesday, July 17, headed "Senators buy sugar"?

Mr. GUILLAUDEU. Is that the first article mentioning our name?

The CHAIRMAN. Yes, sir.

Mr. GUILLAUDEU. I have; yes, sir.

The CHAIRMAN. Have you, or has your firm, during the last winter and spring, at any time, bought or sold so-called sugar stock for the account of any Senator of the United States?

Mr. GUILLAUDEU. No, sir.

The CHAIRMAN. You would know of it, if such transactions had been had, would you?

Mr. GUILLAUDEU. Decidedly.

The CHAIRMAN. Do you know Mr. Battershaw?

Mr. GUILLAUDEU. I do; yes, sir.

The CHAIRMAN. Who is he?

Mr. GUILLAUDEU. He was a man who represented some house here and left them and he came on to New York some two months ago and tried to obtain employment with us, and we did not employ him.

The CHAIRMAN. Has he lately, or ever, made any communication to you as to his knowledge of the transaction of any Senator or Senators in sugar stock?

Mr. GUILLAUDEU. Yes, sir.

The CHAIRMAN. When was it and what was it?

Mr. GUILLAUDEU. It was he who asked me to keep an order for him. That is all he said about it.

The CHAIRMAN. To keep an order for him?

Mr. GUILLAUDEU. Yes, sir. He asked me to take possession of a paper which he said was an order and asked me to keep it.

The CHAIRMAN. Did you do it?

Mr. GUILLAUDEU. I did.

The CHAIRMAN. Have you it with you?

Mr. GUILLAUDEU. I have not.

The CHAIRMAN. Have you any reason for not bringing it?

Mr. GUILLAUDEU. Yes, sir; it is destroyed.

The CHAIRMAN. Who destroyed it?

Mr. GUILLAUDEU. I did.

The CHAIRMAN. When?

Mr. GUILLAUDEU. The day that that Herald article came out.

The CHAIRMAN. You destroyed the order?

Mr. GUILLAUDEU. I destroyed this paper; yes, sir; the order.

The CHAIRMAN. Did it purport to be an original order or a photographic copy of one?

Mr. GUILLAUDEU. It purported to be an original order. It was in lead pencil.

The CHAIRMAN. Did you know the handwriting?

Mr. GUILLAUDEU. I did not.

The CHAIRMAN. You destroyed that paper, you say, on the day the Herald article came out?

Mr. GUILLAUDEU. Yes, sir; and in this way: I could not find Battershaw that morning. In fact, he had turned up in our office about once a week and had asked to have his mail left there for the present, which I agreed to. He happened to drop into our uptown office that morning, and I asked him if he had said anything to the Herald to cause that article, and he declared he had not. I insisted that he should take that paper back; that I would no longer be the custodian of it, and that I would have nothing further to do with it. He said he had to meet his wife and go on the morning train to Larchmont, where he lived, and for me to destroy it, which I did.

The CHAIRMAN. What did that paper purport to be?

Mr. GUILLAUDEU. It was an order to buy.

The CHAIRMAN. Addressed to whom?

Mr. GUILLAUDEU. Addressed to no one. It was on the back of a very much soiled envelope, written in lead pencil.

The CHAIRMAN. What did it purport to be?

Mr. GUILLAUDEU. As I remember it—I never looked at the order but twice—it was to buy 200 sugar at one price and 300 at another price, and I do not know which was which, to save my life. I can not remember. I think the prices were 3½ and 3¾.

The CHAIRMAN. It was very short, wasn't it?

Mr. GUILLAUDEU. That was all there was to it, except the signature

The CHAIRMAN. Can you repeat just what there was? Won't your memory allow you to do that?

Mr. GUILLAUDEU. I think it was "Buy 200 sugar at 83½ and 300" (marked ditto) "3¾."

The CHAIRMAN. How was it signed?

Mr. GUILLAUDEU. Signed, I think, I. N., or J. N., Camden.

The CHAIRMAN. Was it dated?

Mr. GUILLAUDEU. I think it was dated March 2.

The CHAIRMAN. Are you sure?

Mr. GUILLAUDEU. I am not positive about the date.

The CHAIRMAN. Can you speak positively about that?

Mr. GUILLAUDEU. I can speak positively as far as March is concerned.

The CHAIRMAN. It was in March?

Mr. GUILLAUDEU. Yes, sir. I just remember the abbreviation M-c-h.

The CHAIRMAN. Did you ever see Senator Camden's handwriting?

Mr. GUILLAUDEU. No, sir.

The CHAIRMAN. You can not say whether that was his handwriting or not?

Mr. GUILLAUDEU. No, sir; I never saw the gentleman or his writing.

The CHAIRMAN. What was on the other side of the envelope?

Mr. GUILLAUDEU. Nothing.

The CHAIRMAN. Has your firm ever had any dealings with Mr. Camden?

Mr. GUILLAUDEU. Never.

The CHAIRMAN. What firm did Battershaw represent; Seymour Brothers & Young?

Mr. GUILLAUDEU. I understood so.

The CHAIRMAN. Do you know that fact?

Mr. GUILLAUDEU. I think I might say I know it.

The CHAIRMAN. Where was he employed in March last?

Mr. GUILLAUDEU. Their office was——

The CHAIRMAN. In New York?

Mr. GUILLAUDEU. No. In Washington.

The CHAIRMAN. Was it a Washington firm?

Mr. GUILLAUDEU. They had a house here and he represented them the same as Mr. Derickson represented us in Washington. It was just around the corner from us. I think it is on Fourteenth street that their office was.

The CHAIRMAN. Who manages that office now?

Mr. GUILLAUDEU. I do not know.

The CHAIRMAN. Their principal office is in New York, is it not?

Mr. GUILLAUDEU. Yes, sir.

The CHAIRMAN. Do you know whether that branch office in Washington is open now?

Mr. GUILLAUDEU. I do not; I think it is.

The CHAIRMAN. Did Mr. Battershaw tell you that he received this order from Mr. Camden?

Mr. GUILLAUDEU. I do not think he did. My recollection of it is—I paid no particular attention to what he said, and when the investigation was commenced it was lying in my drawer and I never thought anything more about it. As nearly as I can recollect he came into our office one morning and said to me: "There is an important paper which I wish you would keep for me," and he showed it to me.

The CHAIRMAN. Where did he say he got it?

Mr. GUILLAUDEU. I do not remember that he told me where he got it. I inferred that he received this order in the regular course of business.

The CHAIRMAN. I have asked you already, and please answer again. Did he say whether or not he received it from Senator Camden personally?

Mr. GUILLAUDEU. I do not remember that he did.

The CHAIRMAN. Did he say anything from which you would infer whether he did or not?

Mr. GUILLAUDEU. From the fact of his having it I inferred that he received it from him.

The CHAIRMAN. Only from that fact?

Mr. GUILLAUDEU. That is all, I think.

Senator DAVIS. This order was handed to you by Battershaw about when?

Mr. GUILLAUDEU. When he came on to New York a short time since.

Senator DAVIS. How long before the appearance of the Herald article?

Mr. GUILLAUDEU. Oh, a long time.

Senator DAVIS. In my opinion, it is important, to get the exact time.

Mr. GUILLAUDEU. It made no particular impression upon me at the time; I did not own the paper and was merely asked to keep it.

Senator DAVIS. Give us your best recollection.

Mr. GUILLAUDEU. I should say that I received it along about the latter part of May or the 1st of June, as near as I can remember.

Senator DAVIS. So that the order might have been, being dated in March, from a month to two months old when you saw it?

Mr. GUILLAUDEU. Exactly.

Senator DAVIS. Did Battershaw say that it had been continually in his possession?

Mr. GUILLAUDEU. He did not.

Senator DAVIS. When an order of that kind is executed by a firm it is taken up, is it not, and held by them?

Mr. GUILLAUDEU. Generally.

Senator DAVIS. From the custom of brokers, you would infer that that order had never been executed, floating around in Battershaw's possession that way?

Mr. GUILLAUDEU. It is a fair inference; yes, sir. I will tell you why. Every house has its own rules about that. We keep these orders until an account has been rendered. The acceptance of that account, a monthly account or any other kind of account, by the customer settles all of the transactions in it, and then the orders are destroyed. We do not keep them on file any longer.

Senator DAVIS. At the time Battershaw gave that order to you, with what firm of brokers was he connected, if any?

Mr. GUILLAUDEU. At that time he was not connected with any firm. He had been connected with Seymour Bros. & Young.

Senator DAVIS. In what capacity?

Mr. GUILLAUDEU. I understand that he represented them in Washington.

Senator DAVIS. As a solicitor of orders?

Mr. GUILLAUDEU. Yes, sir.

Senator DAVIS. Did he at that time have any desk or employment in their office in New York, that you know of?

Mr. GUILLAUDEU. Not that I know of.

Senator DAVIS. Now, just what did Mr. Battershaw say to you when he handed you that order? Give us his language as nearly as you can remember it.

Mr. GUILLAUDEU. As near as I can remember, he handed me this paper and said: "There is a very important paper and I wish you would keep it for me." He took it out of his pocketbook and said he might lose it. I folded it up in an envelope and put it in my desk.

Senator DAVIS. Is that all he said?

Mr. GUILLAUDEU. My recollection is that at that time that is all that he said about it. I think at a subsequent time he told me that he had just happened to keep that order for some reason, not mentioning his reason. I think that was all the conversation he had with me at that time: "I just happened to keep this." I want to be exact, as nearly as my memory will help me.

The CHAIRMAN. Do you recollect whether, when that paper was handed to you by Mr. Battershaw, the investigation had been ordered by the Senate that is now progressing, or had you observed from the public prints?

Mr. GUILLAUDEU. I think it had, and was pending.

The CHAIRMAN. The paper, then, was handed you by Mr. Battershaw after this investigation had been ordered and was reported in the public press?

Mr. GUILLAUDEU. Yes; I think, as near as I can recollect, it was about the first of June or the last of May.

The CHAIRMAN. You say that on the day the Herald article came out Mr. Battershaw called on you?

Mr. GUILLAUDEU. He came into our uptown office to see if there was any mail for him.

The CHAIRMAN. And you insisted upon delivering this paper back to him?

Mr. GUILLAUDEU. I did.

The CHAIRMAN. And he told you to destroy it?

Mr. GUILLAUDEU. Yes, sir; I told him to come down and get that paper. He said he could not come down, for he was going to meet his wife and go to Larchmont.

Senator LODGE. You were talking with him over your private telephone wire?

Mr. GUILLAUDEU. No, sir; over our private telegraph wire.

The CHAIRMAN. You say that this order seemed to have been written, as you recollect, on the back of an envelope?

Mr. GUILLAUDEU. Or on the front—the side you write the address on.

The CHAIRMAN. Did you notice any address on it?

Mr. GUILLAUDEU. There was nothing on it, I am sure.

The CHAIRMAN. It was not an old envelope that had been sent through the mail?

Mr. GUILLAUDEU. No.

The CHAIRMAN. Was there any printed name on the corner of it?

Mr. GUILLAUDEU. None.

The CHAIRMAN. Any return address?

Mr. GUILLAUDEU. None whatever.

The CHAIRMAN. As far as you can recollect this was "Buy 200"—what?

Mr. GUILLAUDEU. Sugar.

The CHAIRMAN. At 83?

Mr. GUILLAUDEU. 83½ and 300 at 3¾. As I said before, I want to qualify that. The 200 may have been at ¾ and the 300 at 3½.

The CHAIRMAN. Signed J. N. Camden?

Mr. GUILLAUDEU. Yes, sir.

The CHAIRMAN. In lead penci?

Mr. GUILLAUDEU. The whole thing was in lead pencil.

The CHAIRMAN. You have told all that Mr. Battershaw said, so far as you can recollect, when that order was given to you or afterwards?

Mr. GUILLAUDEU. Yes, sir.

The CHAIRMAN. I mean in regard to the order. Did he mention Senator Camden's name?

Mr. GUILLAUDEU. I do not recollect that he said anything at the time he gave me the order except what I have testified.

The CHAIRMAN. Has that order ever been photographed?

Mr. GUILLAUDEU. Yes, sir.

The CHAIRMAN. Who has the photograph?

Mr. GUILLAUDEU. I destroyed one at the same time that I destroyed the original.

The CHAIRMAN. You did?

Mr. GUILLAUDEU. Yes, sir.

The CHAIRMAN. Who has another copy of that photograph, to your knowledge?

Mr. GUILLAUDEU. I do not know positively.

The CHAIRMAN. Who do you think has one?

Mr. GUILLAUDEU. I think a Mr. Levy has one.
The CHAIRMAN. Do you know his full name?
Mr. GUILLAUDEU. Edward A.
The CHAIRMAN. Do you know his address?
Mr. GUILLAUDEU. Yes, sir.
The CHAIRMAN. Give it, please.
Mr. GUILLAUDEU. 21 West Fiftieth.
The CHAIRMAN. What is his business?
Mr. GUILLAUDEU. A member of the New York Stock Exchange.
The CHAIRMAN. Do you know how he got that photograph?
Mr. GUILLAUDEU. Not absolutely.
The CHAIRMAN. Did he get it after the original came into your possession?
Mr. GUILLAUDEU. Yes, sir.
The CHAIRMAN. How?
Mr. GUILLAUDEU. I presume it was given to him.
The CHAIRMAN. By whom?
Mr. GUILLAUDEU. I do not know.
The CHAIRMAN. By you?
Mr. GUILLAUDEU. Not by me.
The CHAIRMAN. How long ago was it given to him?
Mr. GUILLAUDEU. Quite recently.
The CHAIRMAN. When?
Mr. GUILLAUDEU. I do not know the time.
The CHAIRMAN. How long before the Herald article of July 17?
Mr. GUILLAUDEU. Not before that.
The CHAIRMAN. It was after the Herald article of July 17?
Mr. GUILLAUDEU. I think so.
The CHAIRMAN. Where was the original when that was handed to him?
Mr. GUILLAUDEU. The original had been destroyed when he came into possession of this photograph.
The CHAIRMAN. When who came into possession of the photograph?
Mr. GUILLAUDEU. Mr. Levy.
The CHAIRMAN. Mr. Levy did not take the original to have it phographed?
Mr. GUILLAUDEU. No, sir.
The CHAIRMAN. Do you know when the photograph was made; was it made after the original came into your possession?
Mr. GUILLAUDEU. Yes, sir.
The CHAIRMAN. How long?
Mr. GUILLAUDEU. I should say three weeks after.
The CHAIRMAN. In June?
Mr. GUILLAUDEU. Yes, sir; it may have been along about the 1st of July.
The CHAIRMAN. I now ask you how did that original get into possession of Mr. Levy for the purpose of having a photograph made of it?
Mr. GUILLAUDEU. He did not have the photograph made. He never had the original.
The CHAIRMAN. Who did?
Mr. GUILLAUDEU. As near as I know, a gentleman named Allison.
The CHAIRMAN. Where does he live?
Mr. GUILLAUDEU. He lives on the Palisades near Englewood.
The CHAIRMAN. What is his full name?
Mr. GUILLAUDEU. William O. Allison.
The CHAIRMAN. What is his business?

Mr. GUILLAUDEU. He is a publisher.

The CHAIRMAN. Publisher of what?

Mr. GUILLAUDEU. I think he is publishing, or is the editor of, the Oil, Paint and Drug Reporter.

The CHAIRMAN. Is he a speculator?

Mr. GUILLAUDEU. Well, yes; in a modest way.

The CHAIRMAN. Is he the gentleman who lost, or was reported in the Herald to have lost, heavily in lead?

Mr. GUILLAUDEU. He was not. I know that he did not lose heavily in lead. I do not know that anybody ever lost heavily in lead, but he certainly was not the man.

The CHAIRMAN. From whom did he obtain the original in order to have the photograph made?

Mr. GUILLAUDEU. From me.

The CHAIRMAN. Did you hand it to him?

Mr. GUILLAUDEU. Yes, sir—either I or Battershaw.

The CHAIRMAN. What did he say his purpose was?

Mr. GUILLAUDEU. He asked if I had any objection to his having a photograph made. I said the paper did not belong to me. I desire to make it perfectly clear. I will tell you all about the photograph.

The CHAIRMAN. I think you should. That is what we want. That is always the best way.

Mr. GUILLAUDEU. I mentioned this matter to Mr. Allison. He said that it was an important paper and he could probably get considerable money for it. I said that it did not belong to me and that I had nothing to do with it, but I would put him in communication with the man to whom it did belong. I brought him and Battershaw together and it was photographed about that time.

The CHAIRMAN. Were you present at the interview between him and Battershaw?

Mr. GUILLAUDEU. No; I was not. I was in the office but I did not hear what was said. They were in a private office by themselves.

The CHAIRMAN. Did he say from whom money could be obtained?

Mr. GUILLAUDEU. He did not.

The CHAIRMAN. Did he say how much money could be obtained?

Mr. GUILLAUDEU. I think he said $500.

The CHAIRMAN. Do you know whether Battershaw got any money from him?

Mr. GUILLAUDEU. He did not. The negotiation failed.

The CHAIRMAN. Then the photograph was not taken at that time?

Mr. GUILLAUDEU. Yes; Mr. Allison took it and had it photographed.

The CHAIRMAN. Did Battershaw agree to that?

Mr. GUILLAUDEU. I think he did. That was probably part of their conversation. Mr. Allison handed me back the original order.

The CHAIRMAN. Do you think Mr. Allison has copies of it now?

Mr. GUILLAUDEU. No; he said he had not.

The CHAIRMAN. Have you seen him recently?

Mr. GUILLAUDEU. I saw him last week.

The CHAIRMAN. Did he say he hadn't any?

Mr. GUILLAUDEU. He did.

The CHAIRMAN. Do you know whether Mr. Levy has?

Mr. GUILLAUDEU. I think Mr. Levy has.

The CHAIRMAN. Where did he get his photograph?

Mr. GUILLAUDEU. Mr. Allison told me at the time there had been two, and I tried to find out where the other was, for I knew Mr. Derickson had been called here, and then I tried to get hold of this photograph

if the committee wanted it, because I did not know how these things are, and as I had destroyed the original, I thought I would get hold of this photograph if I could. So far I have not been able to.

The CHAIRMAN. You found out that Mr. Levy had one?

Mr. GUILLAUDEU. Yes, sir.

The CHAIRMAN. Did you see Mr. Levy?

Mr. GUILLAUDEU. I heard from Levy.

The CHAIRMAN. What did he say in that regard?

Mr. GUILLAUDEU. He said he had it.

The CHAIRMAN. You have given us his address?

Mr. GUILLAUDEU. Yes, sir.

The CHAIRMAN. What else did he say about it?

Mr. GUILLAUDEU. Nothing.

The CHAIRMAN. Do you know whether he is at home?

Mr. GUILLAUDEU. He is.

Senator LODGE. Did you get that photograph?

Mr. GUILLAUDEU. I did not.

I wish to add that Mr. Levy came into possession of the photograph from me through an irresponsible third person who did not know what he was passing, simply because I wanted to have it out of my possession and thought that I ought not to destroy it since our firm had been called by this committee. Allison turned all the things over to me.

Senator DAVIS. Do you know where the negative is?

Mr. GUILLAUDEU. I do not; I had nothing to do with it.

The CHAIRMAN. Do you suppose Mr. Levy would come on a telegraphic summons?

Mr. GUILLAUDEU. I do.

The CHAIRMAN. Or Mr. Allison?

Mr. GUILLAUDEU. Mr. Allison is away now. He went away last week. He is down on Long Island.

The CHAIRMAN. Do you know where?

Mr. GUILLAUDEU. I do not. Somewhere near Southampton. He is staying with someone down there.

The CHAIRMAN. Do you think Mr. Levy would come?

Mr. GUILLAUDEU. I think he would.

Senator DAVIS. Did you or your firm ever place or fill, during the present session of Congress, any orders to buy or sell sugar certificates for any United States Senator through any other firm of brokers?

Mr. GUILLAUDEU. Never.

The CHAIRMAN. Just look at this extract in Mr. Seip's testimony, of what purports to be a letter from you, and say whether you wrote to Mr. Seip to that effect, and whether that is correct as far as you know. We have not the original here.

Mr. GUILLAUDEU (after reading the extract). I presume that is about correct. I do not remember just what I wrote.

The CHAIRMAN. Here is another extract which purports to be an extract from a letter from you to Mr. Seip.

Mr. GUILLAUDEU (after reading it). I do not remember just what I had written. From that I should say that it all refers to Battershaw.

The CHAIRMAN. Upon what did you base your statement there in regard to Senator Smith?

Mr. GUILLAUDEU. Simply upon what Battershaw must have told me at the time.

The CHAIRMAN. Do you recollect?

Mr. GUILLAUDEU. I have no clear recollection. I had forgotten these letters to Seip. The thing had passed out of my mind, I paid so

little attention to it. The order was not my property, and I wrote this confidentially.

The CHAIRMAN. Do you recollect now what Battershaw said in regard to Senator Smith?

Mr. GUILLAUDEU. I think he must have said he had orders from Mr. Smith.

The CHAIRMAN. From reading those letters you think so?

Mr. GUILLAUDEU. Yes, sir.

The CHAIRMAN. Have you any recollection now, independent of the letters?

Mr. GUILLAUDEU. No; I have not.

Senator DAVIS. Have you now given us all your sources of information and knowledge and what you know respecting any alleged speculation by any United States Senator in sugar certificates during the present session of Congress?

Mr. GUILLAUDEU. I have.

Senator LODGE. What was Mr. Allison's purpose, do you know, in having this photograph made?

Mr. GUILLAUDEU. I do not.

Senator LODGE. And you do not know to whom he proposed to sell the original?

Mr. GUILLAUDEU. I do not; I never asked him.

Senator LODGE. Do you say he is editor of the Oil, Paint, and Drug Reporter?

Mr. GUILLAUDEU. Yes.

Senator LODGE. Is he connected in any way with the lead trust?

Mr. GUILLAUDEU. None whatever.

Senator DAVIS. Do you know anything of the truth of the allegation in the Herald article that that photograph has been sent to some member of the conference committee upon the tariff bill?

Mr. GUILLAUDEU. If Mr. Levy has this one in his possession (and I think he has) which I telegraphed him to bring down here, that and the one I destroyed are all I know of, and Mr. Allison said to me that there were only two.

The CHAIRMAN. Did you ever hear of any proposal to send one to a member of the conference committee?

Mr. GUILLAUDEU. I never did.

Senator DAVIS. Did you ever hear any person suggest the sending of a copy of that photograph to any person?

Mr. GUILLAUDEU. I never did.

The CHAIRMAN. You do not know upon what foundation that allegation in the Herald is based?

Mr. GUILLAUDEU. I do not.

Senator DAVIS. From whom did you understand that Mr. Allison intended to try to get money for that order or a photograph of it?

Mr. GUILLAUDEU. I never knew.

Senator DAVIS. He never gave you any intimation?

Mr. GUILLAUDEU. No, sir.

SWORN TESTIMONY OF FREDERIC MAY.

(July 23, 1894.)

The CHAIRMAN. Your age, residence, and occupation.

Mr. MAY. Forty-three; reside in Washington; manager of Seymour Bros. & Young, stockbrokers, 609 Fourteenth street.

The CHAIRMAN. How long have you been such?

Mr. MAY. About six months.

The CHAIRMAN. That would take you back to last January?

Mr. MAY. The 1st of February.

The CHAIRMAN. You have been the active manager?

Mr. MAY. Yes, sir, most of the while.

The CHAIRMAN. Have you seen the article in the Herald of July 17, last Tuesday?

Mr. MAY. Yes, sir.

The CHAIRMAN. Do you know anything of the matters therein stated?

Mr. MAY. I do not recollect or exactly remember any or all the particulars.

The CHAIRMAN. Do you know anything of any of those matters?

Mr. MAY. No, sir.

The CHAIRMAN. Have you or has your firm here in Washington, Seymour Bros. & Young, ever, during the period you have been its manager, bought or sold sugar certificates for any United States Senator?

Mr. MAY. Not to my knowledge.

The CHAIRMAN. Any United States Senator?

Mr. MAY. No United States Senator.

The CHAIRMAN. Do you know anything of the existence or alleged existence of any order of a United States Senator?

Mr. MAY. I do not.

The CHAIRMAN. Or a photograph of such order?

Mr. MAY. Except what I read in the papers.

The CHAIRMAN. You have no knowledge yourself?

Mr. MAY. None whatever.

The CHAIRMAN. During the period you have been manager, would such orders for buying sugar stock here in Washington be likely to come to your notice, if any such had been made?

Mr. MAY. Yes, sir.

Senator LINDSAY. Do you enter all your business upon your books?

Mr. MAY. Our business is kept in New York, and we keep usually a month's or two months' record of orders; but all our accounts and things of that sort are kept in New York.

Senator LINDSAY. Are you familiar with those records that were kept here in Washington?

Mr. MAY. Yes, sir.

Senator LINDSAY. Is your familiarity sufficiently great to enable you to say whether or not any United States Senators appear to have been dealing in sugar stock during that time?

Mr. MAY. As I said before, to my certain knowledge, no.

Senator DAVIS. Do you mean by that answer that, to your certain knowledge, no such dealings have been had by United States Senators?

Mr. MAY. Yes, sir.

The CHAIRMAN. We have sent for the members of your firm in New York, and asked them to come here. You are speaking only of the Washington business?

Mr. MAY. Yes, sir; I took charge of the office and have had more or less control—I have had absolute control of it for about six months.

The CHAIRMAN. Have you ever seen any Senators in your office?

Mr. MAY. I saw one Senator.

The CHAIRMAN. Who is he?

Mr. MAY. He came there to look for another gentleman. It was Senator Stewart.

The CHAIRMAN. He came on some other business?

Mr. MAY. He was in the neighborhood, and saw that gentleman come in, and followed him in in order to see him.

The CHAIRMAN. And he was not on the business of buying stock?

Mr. MAY. No, sir.

The CHAIRMAN. Do you know anyone named Battershaw?

Mr. MAY. Yes, sir.

The CHAIRMAN. What is his first name?

Mr. MAY. I think it is Samuel W.

The CHAIRMAN. Was he employed by your firm, Seymour Bros. & Young?

Mr. MAY. Yes, sir.

The CHAIRMAN. When?

Mr. MAY. Well, he was employed when I went with the firm and for several years prior.

The CHAIRMAN. How long did he continue to be so employed?

Mr. MAY. Until May last, when he was discharged.

The CHAIRMAN. Was he discharged?

Mr. MAY. Yes, sir.

The CHAIRMAN. You say that Mr. Battershaw was in the employ of this firm when you joined it, which was about the 1st of February.

Mr. MAY. Yes; I took charge of it about the 1st of February.

The CHAIRMAN. You say he was in the employ of your firm up to about the 1st of May, when he was discharged.

Mr. MAY. Yes, sir.

The CHAIRMAN. Was he employed here in Washington?

Mr. MAY. Yes, sir; he was most of the time at the Normandie Hotel. We had a branch office there.

The CHAIRMAN. Did he report all of his business to you?

Mr. MAY. No, sir.

The CHAIRMAN. Did he report any business to you?

Mr. MAY. Some business.

The CHAIRMAN. Did he report any orders to you?

Mr. MAY. He reported orders to me—nearly all of them, as I understand it.

The CHAIRMAN. Was that his duty?

Mr. MAY. It was his duty to report to me unless I was absent or a member of the firm happened to be here.

The CHAIRMAN. Would orders he received go on to the books of the office here?

Mr. MAY. In New York, sir. We keep no books here.

The CHAIRMAN. So far as you know, he reported nearly all his orders to you?

Mr. MAY. Yes, sir.

The CHAIRMAN. How did he report them?

Mr. MAY. Simply show me or tell me what business he had done during the day.

The CHAIRMAN. You kept no record of it?

Mr. MAY. No, sir; we kept no books except a cash account.

The CHAIRMAN. Did he ever show you any order for the purchase or sale of sugar stock from a United States Senator?

Mr. MAY. No, sir.

The CHAIRMAN. From any United States Senator?

Mr. MAY. No Senator.

The CHAIRMAN. Did he ever show you such an order from Senator Camden?

Mr. MAY. No, sir.
The CHAIRMAN. Did he ever say he had any such order?
Mr. MAY. He never told me.
The CHAIRMAN. He never told you he had?
Mr. MAY. No, sir.
The CHAIRMAN. And, to your knowledge, he never had?
Mr. MAY. Of my knowledge, he never had.
The CHAIRMAN. From any United States Senator?
Mr. MAY. From any United States Senator. We get an order here and send it on by private wire, and that order is reported back in a few minutes, and then the gentleman, whoever he may be, gets a statement from the house in New York the next morning, and that goes in the books of the New York office. It is different from some of the other brokers here, because they do a banking business and keep books.

Adjourned until to-morrow, July 24, 1894, at 10:30 o'clock a. m.

WASHINGTON, D. C., *July 24, 1894.*

The committee met pursuant to adjournment.

Present: The chairman (Senator Gray) and Senators Lindsay, Davis, and Lodge.

SWORN TESTIMONY OF EDWARD A. LEVY.

The CHAIRMAN. Your name is Edward A. Levy.
Mr. LEVY. Yes, sir.
The CHAIRMAN. Your age, residence, and occupation?
Mr. LEVY. Thirty-three; I am a stock broker; my residence is 21 West Fiftieth street, New York City.
The CHAIRMAN. What is your firm?
Mr. LEVY. I am connected with W. B. Wheeler & Co.
The CHAIRMAN. Do you know Mr. Guillaudeu?
Mr. LEVY. Yes, sir.
The CHAIRMAN. Do you know Mr. Battershaw?
Mr. LEVY. Yes, sir.
The CHAIRMAN. Have you recently, or at all, seen in Mr. Battershaw's possession, or Mr. Guillaudeu's possession, what purports to be a photograph of an order for the purchase of sugar stock, signed J. N. Camden?
Mr. LEVY. I have not, sir.
The CHAIRMAN. Have you ever seen such a photograph?
Mr. LEVY. I have not, sir.
The CHAIRMAN. Have you ever seen what purported to be the original of such an order?
Mr. LEVY. No, sir.
The CHAIRMAN. Have you a copy of such a photograph?
Mr. LEVY. I think I have, but I could not swear to it, because I do not know.
The CHAIRMAN. Where did you get that copy?
Mr. LEVY. It was given to me by Mr. Guillaudeu.
The CHAIRMAN. When did you receive it from him?
Mr. LEVY. I did not receive it direct from him. It was given to me

by one of the boys in the office from him. I could not tell exactly whether it was Friday, Thursday, or Saturday of last week—one of those days. I do not think it was Saturday—it must have been Thursday or Friday.

The CHAIRMAN. What did you do with it?

Mr. LEVY. I put it in my desk.

The CHAIRMAN. Were you told to do anything with it?

Mr. LEVY. No, sir. Just to keep it.

The CHAIRMAN. Had you ever seen it before?

Mr. LEVY. No, sir.

The CHAIRMAN. Had you heard of it?

Mr. LEVY. I heard it spoken of, currently in the street and by people in the office.

The CHAIRMAN. Do you know Senator Camden?

Mr. LEVY. No, sir.

The CHAIRMAN. Do you know his handwriting?

Mr. LEVY. No, sir.

The CHAIRMAN. Did you know anything about this order except that you received it from Mr. Guillaudeu through a messenger boy?

Mr. LEVY. Nothing at all.

The CHAIRMAN. With the request that you keep it?

Mr. LEVY. Yes, sir.

The CHAIRMAN. Did Battershaw ever talk to you about it?

Mr. LEVY. No, sir.

The CHAIRMAN. Have you that photographic copy with you?

Mr. LEVY. Yes sir. I suppose it is the photograph. I do not know what the contents of it are at all; it is only supposition.

(The witness here handed a sealed envelope to the chairman.)

The CHAIRMAN. Haven't you opened this?

Mr. LEVY. No, sir.

The CHAIRMAN. Then you have not seen it?

Mr. LEVY. No, sir. I put it in that envelope myself.

The CHAIRMAN. You have seen that photograph?

Mr. LEVY. No. I have not. It was only a piece of paper folded up the same as any other paper would be.

The CHAIRMAN. You put it in the envelope——

Mr. LEVY. Just as given to me.

The CHAIRMAN. You have handed me a sealed envelope and I will open this envelope with your permission.

Mr. LEVY. Yes, sir.

The CHAIRMAN. You say you did not open it?

Mr. LEVY. No, sir.

(The paper was here taken from the envelope by the chairman and found to be folded with no writing upon the outside.)

The CHAIRMAN. Did you understand that to be a photograph?

Mr. LEVY. Yes, sir. I supposed it was.

The CHAIRMAN. The paper reads:

Buy me 200 s-h-s sugar—at 83¼ or less—and 300 s-h-s 83¼ or less. (Signed) J. N. Camden, Mar., 2.

Now, Mr. Levy, that has been produced in evidence by you under the circumstances which you have just recounted, and the committee will keep it impounded. You do not object?

Mr. LEVY. No, sir; I have no connection with it whatever and it is nothing to me.

The CHAIRMAN. That is all you know about it?

Mr. LEVY. That is all I know.

The CHAIRMAN. You know nothing of any transaction that it purports to relate to?

Mr. LEVY. I know nothing about it whatever.

Senator DAVIS. Your firm never filled that order?

Mr. LEVY. No, sir.

WASHINGTON, D. C., *July 25, 1894.*

The committee met pursuant to adjournment. Present, the chair man (Senator Gray) and Senators Lindsay, Davis, and Lodge.

SWORN TESTIMONY OF WILLIAM O. ALLISON.

The CHAIRMAN. Your age, residence, and occupation.

Mr. ALLISON. Age, 45; residence, on the Palisades, near Englewood, N. J. I am a publisher.

The CHAIRMAN. What are you the publisher of?

Mr. ALLISON. I control the Oil, Paint, and Drug Reporter, the principal paper, and the Druggists' Circular, the Painters' Magazine, and the Popular Science News.

The CHAIRMAN. Have you any personal knowledge of speculations by United States Senators during the present session of Congress—that is, from last December to the present time—in so-called sugar stocks?

Mr. ALLISON. No, sir.

The CHAIRMAN. Have you any knowledge of what purports to be an order of a United States Senator for the purchase of sugar stock?

Mr. ALLISON. I have seen what purports to be an order of a United States Senator.

The CHAIRMAN. Where did you see it?

Mr. ALLISON. I saw it in the office of W. B. Wheeler & Co.

The CHAIRMAN. In whose possession?

Mr. ALLISON. In the possession of Mr. Guillaudeu.

The CHAIRMAN. When?

Mr. ALLISON. I can not recall the date.

The CHAIRMAN. About how long ago, as nearly as you can recollect, of course?

Mr. ALLISON. My answer won't be very definite. It may be six weeks ago, but I am not positive about it.

The CHAIRMAN. You can not be quite positive about it?

Mr. ALLISON. No, sir.

The CHAIRMAN. It may have been six weeks or it may have been a shorter time, and it may have been longer?

Mr. ALLISON. May have been longer.

The CHAIRMAN. Was it during this summer or spring?

Mr. ALLISON. Yes, sir; surely.

The CHAIRMAN. Late spring?

Mr. ALLISON. I should say so.

The CHAIRMAN. Or early summer?

Mr. ALLISON. Or early summer.

The CHAIRMAN. What was the occasion of your seeing it?

Mr. ALLISON. Mr. Guillaudeu showed it to me—I don't know where he took it from, whether his pocket or some other place—and said

"here is a document that purports to be an order by one of the Senators who has sworn that he has never speculated in sugar stock."

The CHAIRMAN. Then it was after the investigation by this committee, as you had seen it reported in the newspapers?

Mr. ALLISON. Yes, sir. But I had not seen the statement referring to that particular Senator.

The CHAIRMAN. You had seen it stated that such investigation was being conducted.

Mr. ALLISON. Yes, sir.

The CHAIRMAN. That Senators were being examined under oath as to their speculations?

Mr. ALLISON. Yes, sir.

The CHAIRMAN. So that it was after that?

Mr. ALLISON. Yes, sir.

The CHAIRMAN. Are you an intimate friend of Mr. Guillaudeu?

Mr. ALLISON. Quite intimate; I have known him quite intimately.

The CHAIRMAN. It was on account of that intimacy that he showed the order?

Mr. ALLISON. I presume it was.

The CHAIRMAN. What was done with it after you saw it? Did you have it in your possession?

Mr. ALLISON. I did.

The CHAIRMAN. What did you do with it?

Mr. ALLISON. I must decline to answer, on the ground that it might or would tend to criminate me.

Senator DAVIS. Did you or did you not have that order photographed?

Mr. ALLISON. I will have to decline to answer for the same reason.

The CHAIRMAN. Mr. Allison, I will ask you whether that is a copy of the order that you saw in the possession of Mr. Guillaudeu [showing witness the photographic copy of what purports to be an order to buy sugar stock, signed J. N. Camden]?

Mr. ALLISON. I will have to decline to answer that for the same reason. If you can frame a question as to what that original order purported to be I think I might answer.

The CHAIRMAN. Well, what did that original order that you saw in the possession of Mr. Guillaudeu purport to be?

Mr. ALLISON. An order to buy two lots of sugar stock, one for 300 shares and the other for either 200 or 300—the figures had been changed.

Senator LINDSAY. Either 200 or 300?

Mr. ALLISON. Yes, sir.

The CHAIRMAN. Mr. Allison, where is that original order now, if you know?

Mr. ALLISON. I do not know.

The CHAIRMAN. Did you see it more than once—the occasion you speak of?

Mr. ALLISON. I have stated that I had it in my possession. I am willing to state that I had it in my possession.

The CHAIRMAN. Were you told, or do you know, to whom that order was directed?

Mr. ALLISON. The written order which I saw was represented to have been given to a man connected with a stock house located in Washington.

The CHAIRMAN. Was there any direction on the order to any particular person?

Mr. ALLISON. No, sir.

The CHAIRMAN. Was the order addressed to any particular person?

Mr. ALLISON. No, sir.

The CHAIRMAN. Was there any address on the order at all?

Mr. ALLISON. No, sir.

The CHAIRMAN. Was there any other thing on the order than you have stated?

Mr. ALLISON. Did I state the signature?

The CHAIRMAN. State what was on the order.

Mr. ALLISON. I think I have stated that it was an order to buy two lots of sugar stock.

The CHAIRMAN. Order to whom?

Mr. ALLISON. It was not addressed. It was on a blank envelope.

The CHAIRMAN. By whom did it purport to be signed?

Mr. ALLISON. The signature might be construed to be "J. N. Camden."

The CHAIRMAN. Why do you say "might be construed to be?"

Mr. ALLISON. It was not very clear writing.

The CHAIRMAN. Was it clearly spelled?

Mr. ALLISON. The latter part did not seem to me—and yet I know that we all write hurriedly. I know I do.

The CHAIRMAN. What sort of paper was it on?

Mr. ALLISON. On a white envelope.

The CHAIRMAN. Had the envelope been used before for any purpose?

Mr. ALLISON. I could not say.

The CHAIRMAN. There was no writing other than you have stated?

Mr. ALLISON. There was no writing, no postage stamp, no printing on it. That is my recollection.

Senator DAVIS. Was this writing in pencil or ink?

Mr. ALLISON. In pencil.

Senator DAVIS. Lead pencil?

Mr. ALLISON. Yes, sir.

Senator DAVIS. Do you know whether any copy of that order was ever sent to any member of the conference committee?

Mr. ALLISON. I do not, sir.

Senator DAVIS. Do you know whether any copy of that order was ever sent to any member of the Senate or House of Representatives?

Mr. ALLISON. I do not, sir.

Senator DAVIS. Did you ever send any such order——

Mr. ALLISON. I did not, sir.

Senator DAVIS. To a member or a Senator?

Mr. ALLISON. No, sir.

Senator LINDSAY. At the time that order was first shown you was it discussed by those present? Who were present?

Mr. ALLISON. I was only, I think—with Mr. Guillaudeu.

Senator LINDSAY. Was there any discussion about the order, concerning it in any way?

Mr. ALLISON. It was with reference to the investigation and the statement made before the committee that a certain party had not speculated in sugar stock, and this was an order purporting to be by that party.

Senator LINDSAY. Well, was the genuineness of the order discussed in any way?

Mr. ALLISON. No; not on that occasion.

Senator LINDSAY. Was there any comment on the fact that it was not directed to anyone?

Mr. ALLISON. No sir.

Senator LINDSAY. Did you know that handwriting?

Mr. ALLISON. I did not.

Senator LINDSAY. Did Mr. Guillaudeu profess to?

Mr. ALLISON. I do not think so. I did not discuss that with him.

Senator LINDSAY. Did you discuss the question of whether or not an order, not directed to any person or not naming any broker, was an authority to any person to buy?

Mr. ALLISON. We did not discuss it.

Senator LINDSAY. What was the purpose of showing the order to you?

Mr. ALLISON. To emphasize. He coupled with it the remark that "Here is a man who has testified that he had not speculated," and I think he used an emphatic word in connection with it.

Senator LINDSAY. What interest did you have in knowing that fact?

Mr. ALLISON. No interest.

Senator LINDSAY. Were you on terms of particular intimacy with this man?

Mr. ALLISON. I was quite intimate with him. I have seen him, certainly, every other day for a long time. We have gone all over this thing, however.

Senator LINDSAY. Was there any reason why he should take you into his confidence about this matter?

Mr. ALLISON. Oh, simply because he is apt to tell me the gossip.

Senator LINDSAY. It was then a matter of gossip between you and this gentleman?

Mr. ALLISON. If you choose to call it that way. I called it a matter of gossip. All Wall street news comes to us on slips headed "Wall street gossip."

Senator LINDSAY. Did you know Senator Camden?

Mr. ALLISON. No, sir.

Senator LINDSAY. Was there any other subject discussed in relation to this order during the time you had it?

Mr. ALLISON. No, sir.

Senator DAVIS. How long was this order in your possession?

Mr. ALLISON. Possibly over night. I do not think over one night.

Senator DAVIS. To whom did you return it?

Mr. ALLISON. To Mr. Guillaudeu.

The CHAIRMAN. Did you ever see a photograph of that order?

Mr. ALLISON. I think I shall have to decline to answer, for the same reasons given before.

The CHAIRMAN. This photograph of an order, which I have just handed you, is similar to the one you have described, is it not?

Mr. ALLISON. I think it better to decline to answer, on the same grounds.

The CHAIRMAN. Do you know how many photographs of that supposed order were in existence?

Mr. ALLISON. I decline, on the same grounds.

Senator LINDSAY. I will ask you, then, if you have been advised by anyone to decline to answer questions such as that?

Mr. ALLISON. No, sir; it had not occurred to me to decline until I reached this city and read your newspapers.

Senator LINDSAY. What paper did you read?

Mr. ALLISON. I clipped it out of one this morning and one last night (referring to clippings he held in his hand). Orders for arrests, they say, are issued.

The CHAIRMAN. Do you know Mr. Battershaw?

Mr. ALLISON. I have seen a party who was called Battershaw, but I can not say I know him.

The CHAIRMAN. When did you see Battershaw last?

Mr. ALLISON. Weeks ago.

The CHAIRMAN. How many?

Mr. ALLISON. I should say three weeks or more.

Senator LINDSAY. Do you know anything about his whereabouts since that time?

Mr. ALLISON. No, sir.

Senator LINDSAY. Where did you see Mr. Battershaw?

Mr. ALLISON. In Wheeler's office.

Senator LINDSAY. Is that the occasion on which you had this paper, purporting to be an order, in your hands?

Mr. ALLISON. No, sir.

Senator LINDSAY. Did you have it in your hands at that time?

Mr. ALLISON. No, sir.

Senator LINDSAY. Was anything said about the paper at that time?

Mr. ALLISON. Yes, sir.

Senator LINDSAY. What did Mr. Battershaw say about it at that time?

Mr. ALLISON. I asked him if this order had been executed and he would not tell me.

Senator LINDSAY. He would not tell you?

Mr. ALLISON. No, sir. This was subsequent to my seeing it originally.

Senator LINDSAY. Did Mr. Guillaudeu introduce you and Battershaw?

Mr. ALLISON. I do not remember.

Senator LINDSAY. Did you ask of him permission to have that original order?

Mr. ALLISON. I do not know that I did ask Battershaw's permission.

Senator LINDSAY. Was anything said by Battershaw about the value of this order from a money point of view?

Mr. ALLISON. Yes, sir. He thought it might be valuable.

Senator LINDSAY. What did he say in that regard?

Mr. ALLISON. He thought it was worth $500, but he would not give the right to print it. He would not consent to its being published.

Senator LINDSAY. Did he ask $400 or $500 for it?

Mr. ALLISON. I understood him to say that he would take $500 for it, but would not give me the right to print it.

Senator LINDSAY. Did you ask for the right to print it?

Mr. ALLISON. I asked that it might be printed, but he said no.

Senator LINDSAY. Did he give you the reason why he thought it was worth $500?

Mr. ALLISON. No, sir.

Senator LINDSAY. Did you understand from the conversation why it was he put an estimate of $500, money value?

Mr. ALLISON. I did not understand. I do not think he gave any reason. But to a newspaper a genuine thing of that sort might be worth $500 or more.

Senator LINDSAY. What value would it be to a newspaper?

Mr. ALLISON. Yes; the Herald, World, and those papers looking for wild sensations.

Senator DAVIS. Did Battershaw say where he got that order?

Mr. ALLISON. No.

Senator DAVIS. Did he refer in any way to the subject, as to where he got it?

Mr. ALLISON. I do not think he did.

Senator DAVIS. Did he say how long he had had it?

Mr. ALLISON. He did not.

The CHAIRMAN. Did he give any account of why it was in his possession?

Mr. ALLISON. I do not think he did. My conversation with him—he was a stranger to me—was very brief.

The CHAIRMAN. Have you said all that he said?

Mr. ALLISON. I think I have, all that I recollect.

The CHAIRMAN. Did he express, in that conversation, any sentiment of resentment toward anybody?

Mr. ALLISON. No, sir. My conversation with him was so brief that if he had had any such feelings there would not have been opportunity for it to come up.

SWORN TESTIMONY OF ALLEN LEWIS SEYMOUR.

(July 25, 1894.)

The CHAIRMAN. Your name, age, residence, and occupation?

Mr. SEYMOUR. My name is Allen L. Seymour; 26 years old; a broker; I live in East Orange, N. J.

The CHAIRMAN. Are you a member of the firm of Seymour Bros. & Young?

Mr. SEYMOUR. I am.

The CHAIRMAN. Who constitute that firm?

Mr. SEYMOUR. Allen L. Seymour, C. A. Seymour, William E. Young, and James W. Fox.

The CHAIRMAN. Are you the junior of those Seymours you mention?

Mr. SEYMOUR. I am the senior. I am the elder Seymour.

The CHAIRMAN. Who is the eldest member of the firm?

Mr. SEYMOUR. Mr. Young.

The CHAIRMAN. Where is your place of business?

Mr. SEYMOUR. 3 Exchange Court, New York.

The CHAIRMAN. You said you were stockbrokers?

Mr. SEYMOUR. Yes, sir.

The CHAIRMAN. You had a branch office in Washington during the last winter and spring?

Mr. SEYMOUR. Yes, sir.

The CHAIRMAN. Have you still?

Mr. SEYMOUR. Yes, sir.

The CHAIRMAN. Who attends to your stock business in your office in New York?

Mr. SEYMOUR. I do; and my brother and Mr. Young.

The CHAIRMAN. Would you know of all stock transactions, or orders to buy stock, that come to your firm?

Mr. SEYMOUR. I would if I happened to be there.

The CHAIRMAN. Is your brother here?

Mr. SEYMOUR. No, sir.

The CHAIRMAN. Is Mr. Young here?

Mr. SEYMOUR. No, sir.

The CHAIRMAN. Do you know of any purchase or sale, through the

agency of your house, or otherwise, in so-called sugar stock by any United States Senator during the last winter and spring?

Mr. SEYMOUR. I decline to answer.

The CHAIRMAN. Why do you decline to answer?

Mr. SEYMOUR. Well, my brokerage business is sacred. I can not answer any questions about my business.

The CHAIRMAN. Do you know that your declining to answer gives rise to the inference that some United States Senator has bought or sold sugar stock through your firm?

Mr. SEYMOUR. I must decline to answer that.

The CHAIRMAN. Would you decline to answer just the same whether any United States Senator had or had not bought or sold such stock?

Mr. SEYMOUR. I do.

The CHAIRMAN. I say, "would you?"

Mr. SEYMOUR. I would.

The CHAIRMAN. Do you know Mr. Battershaw?

Mr. SEYMOUR. Yes, sir.

The CHAIRMAN. Is he employed by your firm?

Mr. SEYMOUR. No, sir.

The CHAIRMAN. Never?

Mr. SEYMOUR. He was, up to May 1.

The CHAIRMAN. Where was he employed?

Mr. SEYMOUR. Before the 1st of May he was in New York—no; I think he was in Washington. We sent him down. He said he had lots of friends or acquaintances in Washington and could do a good business down here, and so we sent him to Washington. I think he was here when he was discharged, on the 1st of May.

The CHAIRMAN. Did you ever receive from him, to be executed by your firm, an order of a United States Senator to buy or sell sugar stocks?

Mr. SEYMOUR. I don't remember any.

The CHAIRMAN. Did you ever execute an order for the sale of sugar stock through him during the last winter or spring, of Senator Camden? Did you ever execute an order, obtained through Battershaw or anybody else, of Senator Camden, to buy or sell sugar stock?

Mr. SEYMOUR. I decline to answer that.

The CHAIRMAN. Do you mean it to be inferred that there was such an order executed?

Mr. SEYMOUR. I decline to answer that.

The CHAIRMAN. Do you mean it to be inferred that there was not such an order?

Mr. SEYMOUR. I decline to answer that.

The CHAIRMAN. Do you know that by declining to answer you are giving rise to the inference that such order was executed by you for that Senator?

Mr. SEYMOUR. I decline to answer that.

The CHAIRMAN. Did you ever execute an order for the purchase or sale of sugar stock during the last winter from me?

Mr. SEYMOUR. I do not know your name.

The CHAIRMAN. I am Senator Gray.

Mr. SEYMOUR. No.

The CHAIRMAN. Why do you answer in my case and decline to answer when I ask you the same question about another Senator?

Mr. SEYMOUR. I decline to answer that.

The CHAIRMAN. Why do you decline to answer that question?

Mr. SEYMOUR. I decline to answer that, too.

The CHAIRMAN. You decline to answer that question, too?

Mr. SEYMOUR. Yes, sir.

The CHAIRMAN. Do you know the consequences of declining to answer a proper question?

Mr. SEYMOUR. No, sir; I do not.

The CHAIRMAN. You know that there is a law of the United States that makes it a penal offense to decline to answer a pertinent question propounded to you by a committee of the Senate in a matter which they are charged with the investigation of?

Mr. SEYMOUR. No, sir; I did not know it.

The CHAIRMAN. We say there is. We will have it read to you if you would like to have it read. Would you like to know what the law is as a law-abiding citizen?

Mr. SEYMOUR. I will take your word for it.

The CHAIRMAN. There is a law making it an offense, punishable by fine and imprisonment, to decline to answer a question that is put to you by a committee of the Senate pertinent to the inquiry with which they are charged. Do you still decline to answer?

Mr. SEYMOUR. I do.

Senator LODGE. I would like to ask you whether Mr. Battershaw was in the habit of taking orders to buy and sell stock and sending them to you for execution from Washington?

Mr. SEYMOUR. I could not say positively about that.

Senator LODGE. Why did you keep him here?

Mr. SEYMOUR. He solicited business.

Senator LODGE. Did he get you any order of any kind to buy or sell stock?

Mr. SEYMOUR. I decline to answer that.

The CHAIRMAN. Why did you discharge him?

Mr. SEYMOUR. Because he was—— He is not here and I don't want to attack him; he was a drunkard and loafer. That is the truth of it.

Senator DAVIS. Mr. Seymour, I show you a photograph of what purports to be an order, already in evidence in this investigation [handing it to the witness]. (After a pause.) Have you examined it?

Mr. SEYMOUR. I can not identify it.

Senator DAVIS. Have you examined the order?

Mr. SEYMOUR. I have.

Senator DAVIS. Did you ever see the original from which that photograph was made?

Mr. SEYMOUR. Never.

Senator LODGE. Did you ever execute any such order?

Mr. SEYMOUR. I decline to answer that.

Senator DAVIS. Do you know the signature of J. N. Camden?

Mr. SEYMOUR. No, sir; I do not.

Senator DAVIS. Do you know whether or not any such order—the original from which that photograph was made—was ever in the possession of your firm?

Mr. SEYMOUR. I do not.

Senator DAVIS. Do you know that it was not in the possession of your firm?

Mr. SEYMOUR. I do not know whether it was or not.

Senator DAVIS. One way or the other?

Mr. SEYMOUR. I could not identify it at all.

The CHAIRMAN. Is there any other member of your firm in town—in this town.

Mr. SEYMOUR. Mr. Fox.

The CHAIRMAN. Is he a member of your firm?

Mr. SEYMOUR. Yes, sir.

The CHAIRMAN. What is his business?

Mr. SEYMOUR. He is a member of our firm.

The CHAIRMAN. What part of the business does he attend to?

Mr. SEYMOUR. He assists in managing these offices.

The CHAIRMAN. Which? This one here in town?

Mr. SEYMOUR. Yes, sir; and in Baltimore. He is back and forth between those places.

The CHAIRMAN. You are the senior member of the firm?

Mr. SEYMOUR. I am the senior member of the firm.

The CHAIRMAN. You are 26 years old?

Mr. SEYMOUR. Yes, sir.

The CHAIRMAN. How old is the junior member?

Mr. SEYMOUR. He is 20, I think.

The CHAIRMAN. Have you taken any advice as to what you should say before this committee—any legal advice?

Mr. SEYMOUR. No. Do you mean, consult a lawyer?

The CHAIRMAN. Yes, sir.

Mr. SEYMOUR. No, sir.

The CHAIRMAN. Have you consulted anybody else?

Mr. SEYMOUR. No, sir.

Senator DAVIS. Have you had any conversation with anybody on the subject of your testimeny?

Mr. SEYMOUR. No, sir.

The CHAIRMAN. Will you state again your reasons for declining to answer the questions you have declined to answer?

Mr. SEYMOUR. I decline to answer that.

The CHAIRMAN. I say, will you state the reasons for declining to answer them?

Mr. SEYMOUR. I simply decline to state anything in relation to my business, that is all.

Senator DAVIS. If you never did any business of that kind for any Senator and the fact did not exist, why do you decline?

Mr. SEYMOUR. I decline to answer that. I will tell the committee that I would not believe Sanford W. Battershall under oath. He is a scoundrel, a liar, and a drunkard.

Senator DAVIS. Do you base your statement on your knowledge of his general reputation for truth and veracity?

Mr. SEYMOUR. He has no reputation for truth and veracity; absolutely none. In my opinion he is a common blackmailer.

The CHAIRMAN. The committee will consider what they will do in the matter of your declination to answer. It may be that they will have to report you to the grand jury and the district attorney, but we will consider that matter. I want to give you notice of what the consequences are.

Mr. SEYMOUR. Can I go back home, or will I have to stay here in Washington?

The CHAIRMAN. Oh, you need not stay here.

SWORN TESTIMONY OF GEORGE BRUCE.

(July 25, 1894.)

The CHAIRMAN. Give your full name, age, residence, and occupation.

Mr. BRUCE. George Bruce; 68 East One hundred and tenth street, New York; occupation, bookkeeper; age, 31.

The CHAIRMAN. Mr. Bruce, what do you know of this photograph of what purports to be an order for sugar stock?

Mr. BRUCE. It was shown to me in an offhand way, Mr. Gray.

The CHAIRMAN. By whom?

Mr. BRUCE. It was shown to me in confidence, but if you insist upon an answer I will give it to you.

The CHAIRMAN. I will ask you if it was shown to you by Mr. Allison?

Mr. BRUCE. I do not want to say unless you insist upon an answer.

The CHAIRMAN. It was shown to you?

Mr. BRUCE. Yes, sir.

The CHAIRMAN. Have you other knowledge than that?

Mr. BRUCE. None whatever, sir.

The CHAIRMAN. Do you know anything about this transaction?

Mr. BRUCE. Nothing whatever.

The CHAIRMAN. You know nothing about the particular transaction to which this supposed order refers, except seeing this order?

Mr. BRUCE. Nothing whatever.

The CHAIRMAN. Do you know who got that order?

Mr. BRUCE. No, sir.

The CHAIRMAN. Do you know to whom it was directed?

Mr. BRUCE. No, sir.

The CHAIRMAN. Do you know if it was executed?

Mr. BRUCE. No.

The CHAIRMAN. Is that absolutely all you know about this matter?

Mr. BRUCE. That is absolutely all I know about the matter.

The CHAIRMAN. Or about alleged speculations of United States Senators?

Mr. BRUCE. That is all.

The CHAIRMAN. That you saw what purported to be a photograph——

Mr. BRUCE. What purported to be a photograph and the original.

The CHAIRMAN. Had he the original, too?

Mr. BRUCE. Yes, sir.

The CHAIRMAN. What did that original purport to be?

Mr. BRUCE. I did not take enough notice, Mr. Gray, to say what it called for at all.

The CHAIRMAN. Did you see by whom it was signed?

Mr. BRUCE. The order was signed J. N. Camden. It was very indistinct. It was in pencil.

The CHAIRMAN. You do remember that?

Mr. BRUCE. That was my impression of it at the time. I did not take any particular notice of it.

The CHAIRMAN. On what was the order written?

Mr. BRUCE. On rough surface paper, I think.

The CHAIRMAN. A sheet of paper?

Mr. BRUCE. No, sir; It was on a piece of paper, I should think about that large [indicating], as far as I remember. I want you to understand, Mr. Gray, it is about a month or six weeks since I have seen it. It was probably about as big as that [indicating]. It was folded in

four pieces, Mr. Gray; and in the center was where the file had gone through.

The CHAIRMAN. Was there a hole through the center?

Mr. BRUCE. Yes, sir.

The CHAIRMAN. Through the center of the writing?

Mr. BRUCE. Yes, sir; I could not say whether it went through the writing or not. I remember there was a hole through the center. It was folded in four pieces and the hole was to the left of the center and very close to it.

The CHAIRMAN. Do you remember whether the hole went through the writing?

Mr. BRUCE. I can not.

The CHAIRMAN. Did you see both the photograph and what purported to be the original?

Mr. BRUCE. Yes, sir.

The CHAIRMAN. Did you know the handwriting?

Mr. BRUCE. I would not know if I saw the writing again.

The CHAIRMAN. Did you know the handwriting on that paper?

Mr. BRUCE. No, sir.

The CHAIRMAN. Was it a handwriting that you knew?

Mr. BRUCE. No, sir.

The CHAIRMAN. I wish you would try to remember if the hole went through the writing.

Mr. BRUCE. I can not. I do not think it was right through the immediate center where it was folded.

The CHAIRMAN. How came this gentleman to show it to you?

Mr. BRUCE. We were talking of matters generally and, I think, Senators came up, and he in an indignant mood says, "Look here—here are Senators who have sworn in Washington that they had never bought sugar, and here is what purports to be an original order"—I do not know whether he said "purports."

The CHAIRMAN. He probably said, "Here is an original order."

Mr. BRUCE. "Here is an original order." I guess that is about the size of it. He passed it to me. I looked at it casually, didn't think anything of it at all, and passed it back to him.

The CHAIRMAN. Can you tell from memory what the order was?

Mr. BRUCE. I can not.

The CHAIRMAN. You have already stated what the signature was?

Mr. BRUCE. What the signature was.

The CHAIRMAN. You stated it was "J. N. Camden," indistinctly written with a pencil.

Mr. BRUCE. Yes, sir.

The CHAIRMAN. Is that a photograph such as you saw [handing the witness the photograph in evidence]?

Mr. BRUCE. That signature looks like it, Mr. Gray. The paper was smaller than that.

The CHAIRMAN. Does that refresh your recollection as to the contents of the paper?

Mr. BRUCE. No, it does not; I simply took so little notice of it at the time.

The CHAIRMAN. Where was that file hole?

Mr. BRUCE. The file hole was probably through there, or there [indicating], if I am right.

The CHAIRMAN. That is, through the writing, but not through a written word?

Mr. BRUCE. No, sir.

The CHAIRMAN. But in the space that was occupied by the writing?

Mr. BRUCE. Yes, sir; that is my recollection.

Senator LINDSAY. Was that on lined or ruled paper, or on smooth paper without ruling?

Mr. BRUCE. I think it was rough surface. This kind of imitation linen paper, but not linen, with a rough surface.

The CHAIRMAN. Could it have been an envelope?

Mr. BRUCE. Yes. It may have been a square envelope; on the smooth side, as far as my recollection goes.

Senator LINDSAY. Did it show any evidences of having parts of it torn off, so as to make it square?

Mr. BRUCE. I did not notice.

Senator LINDSAY. The hole would either have been here [indicating] after "and" and before "300," above the bottom of the line——

Mr. BRUCE. The hole would have been after "and" or under "and" and just above the stroke after "less."

The CHAIRMAN. That is all you know about it, is it?

Mr. BRUCE. That is all I know, Mr. Gray.

The CHAIRMAN. When was this?

Mr. BRUCE. I should think a month or five weeks ago.

The CHAIRMAN. Did this person who showed this supposed original and photograph to you, say where he got it?

Mr. BRUCE. No.

The CHAIRMAN. Did he say to what firm it had been given?

Mr. BRUCE. No, sir. I wasn't sufficiently interested to ask any questions; in fact, I had forgotten about it until I was talking with Mr. Rood, of the Herald, when it came to my mind as an item of news, and that is the only way it ever came out.

The CHAIRMAN. That is the way your name came out?

Mr. BRUCE. Yes, sir.

Senator LINDSAY. Do you remember whether it was a paper merely written out and signed without being directed to any broker or firm of brokers?

Mr. BRUCE. I do not remember.

The CHAIRMAN (after consultation with the members of the committee). Mr. Bruce, I think we must insist on an answer to that question.

Mr. BRUCE. Of course, you understand, Mr. Gray, that I am abusing confidence in so doing.

The CHAIRMAN. The matter that you are summoned on is a public matter; it is a matter that concerns the integrity of legislation; it is a matter with which we, as a committee of the Senate, are charged, and in making this investigation we are performing a public duty, and we think a witness who comes before us has a high public duty to perform of good citizenship. And, besides all that, it is a matter of positive law that a witness, when before a committee properly charged with investigation, must answer pertinent inquiries. So that I think that absolves you from that confidence and I put the question in this form, was it Mr. Allison?

Mr. BRUCE. I would like to explain my position a little further. I am before the public to-day as an informer. I lost my position because I would not abuse confidence—because I would not compound fraud against the Government. Now, if I turn around right away and abuse my confidence, the position I have taken is lost—I mean the position I have taken that I would not abuse confidence.

The CHAIRMAN. Mr. Allison has been here and he has testified about

this paper. And further than that, Senator Camden's reputation is at stake in this matter.

Mr. BRUCE. I fully understand that matter.

Senator LINDSAY. Charges have been made and papers exhibited, and Senator Camden has the right to have the matter probed to the bottom in order that the committee may reach a correct conclusion as to whether this is a genuine paper or a fraudulent one.

Mr. BRUCE. I will say, exclusively for Mr. Camden's benefit, that Mr. Allison showed me that paper. I want it understood that it is solely for Senator Camden's benefit that I say Mr. Allison showed me that paper.

I told Mr. Rood that if he was diplomatic enough I thought he might get an original order for sugar which a Senator had given and which he had sworn that he had never given.

The CHAIRMAN. You mean who had sworn?

Mr. BRUCE. The Senator.

The CHAIRMAN. You told Mr. Rood that he could get that of Mr. Allison, didn't you?

Mr. BRUCE. I think I did. I didn't think anything happened. Rood didn't say anything at that time about it.

Adjourned until to-morrow, July 26, 1894, at 11 o'clock a. m.

WASHINGTON, D. C., *July 26, 1894.*

The committee met pursuant to adjournment.

Present, Senators Lindsay and Davis.

SWORN TESTIMONY OF ALLEN LEWIS SEYMOUR—Continued.

(Mr. Seymour having appeared and stated that he had reconsidered his refusal to answer certain questions put to him yesterday and desired to make a further statement, he was examined, as follows:)

Senator DAVIS. Have you reconsidered since yesterday your determination to decline to answer certain questions that were put to you yesterday respecting the purchase or sale through your house by Senators of sugar stocks? You can answer that, yes or no.

Mr. SEYMOUR. Yes, sir.

Senator DAVIS. You are requested to make such statement as you may desire, based upon such reconsideration.

Mr. SEYMOUR. I did not intend to answer any questions in relation to my business. I intended to decline to answer all such questions. Senator Gray asked me whether we ever received an order from him to buy or sell sugar, and on the spur of the moment I answered, no. Having done that, I think it in justice due to Senator Camden and all other United States Senators for me to state that I have never received from any of them orders to buy or sell sugar.

Senator LINDSAY. Can you state further, and never have bought or sold?

Mr. SEYMOUR. I think that is broad enough.

Senator DAVIS. No; it is not. Have you or your firm, directly or indirectly, bought or sold sugar certificates for or in the interest of United States Senators during the present session of Congress?

Mr. SEYMOUR. We have never bought or sold sugar certificates.

Senator DAVIS. Is there anything else you would like to add?

Mr. SEYMOUR. No, sir.

WASHINGTON, D. C., *July 30, 1894.*

The committee met at the call of the chairman.

Present: The chairman (Senator Gray) and Senators Lindsay and Davis.

SWORN TESTIMONY OF ALLEN LEWIS SEYMOUR—Continued.

(Mr. Seymour having requested leave to reappear before the committee appeared and was interrogated as follows:)

Senator DAVIS. Mr. Seymour. you have requested leave to reappear before this committee this morning, have you not?

Mr. SEYMOUR. Yes.

Senator DAVIS. That leave is granted. What have you to say?

Mr. SEYMOUR. I have examined the transcript of my statements on July 26, 1894, and I note important errors contained in them, and in view of those errors and in view of the fact that there were only two members of the committee present I desire to withdraw——

Senator LINDSAY. Withdraw what?

Mr. SEYMOUR. Each and every statement made by me on that day.

Senator DAVIS. The 26th of July?

Mr. SEYMOUR. July 26, 1894.

The CHAIRMAN. Withdraw all your statement given on that day?

Mr. SEYMOUR. Each and every statement.

Senator DAVIS. I hand you a transcript of your testimony on July 26 and ask you to indicate the errors which you claim exist there.

Mr. SEYMOUR. Each and every statement made by me I wish to withdraw.

Senator DAVIS. I hand you a transcript of your testimony on July 26 and ask you to indicate the errors which you state exist there.

Mr. SEYMOUR. I decline to do that.

Senator DAVIS. Will you indicate one?

Mr. SEYMOUR. I decline.

Senator DAVIS. Can you do it?

Mr. SEYMOUR. I decline.

Senator DAVIS. Is it true that there are errors there?

Mr. SEYMOUR. I made my statement and I decline to answer all other questions.

Senator DAVIS. Then you stand upon your testimony as given previous to the 26th day of July?

Mr. SEYMOUR. I decline to answer.

The CHAIRMAN. Do you stand upon the declinations made by you on the 25th of July?

Mr. SEYMOUR. I decline to answer.

Senator DAVIS. I move that the witness be certified to the grand jury under the statute as in the case of the other contumacious witnesses.

The chairman put the motion, which was carried unanimously.

WASHINGTON, D. C., *July 31, 1894.*

The committee met pursuant to call of the chairman.

Present: The chairman (Senator Gray), and Senators Lindsay, Davis, and Lodge.

SWORN STATEMENT OF SENATOR JOHNSON N. CAMDEN—Recalled.

The CHAIRMAN. The committee, in investigating certain allegations and statements contained in the New York Herald of July 17, have had occasion to examine several witnesses, and, among others, Mr. Guillaudeu, of the firm of Wheeler & Co., brokers in the city of New York, which has also a branch office in this city.

In the course of his testimony Mr. Guillaudeu stated that one Sanford Battershall brought to him, some time in the month of May or early in June, a paper which purported to be an order for the purchase of shares of sugar stock signed by you, and asked Mr. Guillaudeu to take charge of it for him and keep it, which he did. That paper, according to Mr. Guillaudeu, has been destroyed, but from another person, a Mr. Levy, who was also before the committee, there is what purports to be a photograph of it, which has been produced to the committee and put in evidence. You have examined that alleged photograph, have you? This is it which I hand you now [handing witness the paper].

Senator CAMDEN. I have examined it.

The CHAIRMAN. Do you wish to make any statement in regard to it?

Senator CAMDEN. I have examined this photographic copy of a memorandum, which is alleged to have been written upon the back of an envelope, as follows: "Buy me 200 shares sugar at 83¾ or less, and 300 at 83½ or less," and which purports to have my name signed to it. The photograph is made upon white paper, while the original, as I understand it, is claimed to have been written upon the back of a dirty or discolored envelope.

It is impossible to judge from the photograph the appearance and peculiar characteristics of what is represented to have been the original. I have no recollection of ever having made any such memorandum, or ever having delivered any such memorandum to anyone, or that any such order was ever executed for me, and I pronounce the photograph, in my judgment, as being from a fictitious or forged paper which did not emanate from me.

Senator DAVIS. Mr. Camden, can you state whether the handwriting as represented in that photograph is or is not from an original written or signed by you?

Senator CAMDEN. In my judgment, it is not from a paper written or signed by me.

Senator DAVIS. Does the signature resemble yours, Senator?

Senator CAMDEN. It has some resemblance, as all imitations must have to have any weight at all, but the signature is not my usual signature.

Senator DAVIS. Does the body of the order resemble your handwriting?

Senator CAMDEN. The body of the order is less like it than the signature.

Senator DAVIS. You say that you have no recollection of ever having written or subscribed such an order?

Senator CAMDEN. No, sir.

Senator DAVIS. Can you state positively whether you ever did or not?

Senator CAMDEN. I can say positively that, in my judgment, I did not. A memorandum of that kind, that is without address or anything to identify it, is always mysterious.

Senator DAVIS. Was any such order ever executed for you?

Senator CAMDEN. No such order was executed for me, according to my recollection and belief.

Senator DAVIS. Mr. Camden, do not you recollect whether you bought or sold the amount of sugar certificates called for here?

Senator CAMDEN. I have no recollection. Of course I would have recollection if I ever had.

Senator DAVIS. Have you dealt in sugar stock since the beginning of this session?

Senator CAMDEN. Not to my recollection.

Senator DAVIS. Can not you recollect whether you have or have not dealt in sugar certificates during this session?

Senator CAMDEN. I say this: I have dealt in stocks of various kinds, but I have not dealt in sugar stocks.

The CHAIRMAN. On June 18 you were before this committee, as other Senators were, and in answer to the question, "Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?" you said "No." Do you wish to make any qualification of that answer?

Senator CAMDEN. No; I desire to stand upon my former statement. I have no recollection of having bought or sold any sugar stock during this session of Congress. I have bought and sold a number of other stocks, but I have no recollection that they included any sugar stock, and I do not think they did.

Senator DAVIS. Have you statements from your brokers of your stock transactions within the last six months?

Senator CAMDEN. No; I have not. They were transactions usually quickly disposed of, and I have no statement that shows that I bought or sold sugar stocks.

Senator DAVIS. I want to get at the degree of positiveness of your recollection on that subject. That order, of which a photograph is before you, purports, if I understand, to carry a transaction of about $40,000 in sugar certificates. Now, have you no distinct recollection as to whether you have or have not engaged in a transaction of that magnitude?

Senator CAMDEN. A stock transaction of that amount would only require a small cash margin, and when the party was well known perhaps no margin, so that the real money transaction would not usually be large. I have had other transactions of more than that magnitude, but I have no recollection and I do not believe that I bought or sold any sugar stock in that time.

Senator DAVIS. Do you know a man by the name of Battershall?

Senator CAMDEN. I have seen him, but I would not know him if I was to meet him here now.

Senator DAVIS. Did you ever have any business transactions with him?

Senator CAMDEN. I never had any business transactions with him, except on one occasion he suggested that Chicago wheat would be a good purchase, and I think I gave him an order for five or ten thousand

bushels. That is the only transaction—the only time I remember to have ever spoken to him.

Senator DAVIS. So that this transaction purporting to be evidenced by that photographic order could not have been had with Mr. Battershall?

Senator CAMDEN. No, sir.

Senator DAVIS. Do you know where Mr. Battershall lives?

Senator CAMDEN. I do not.

Senator DAVIS. When did you first hear of the existence of this order, Senator?

Senator CAMDEN. Well, I heard rumors of it shortly before or about the time the article appeared in the Herald.

Senator DAVIS. Did anybody ever address you, personally or by writing, directly or indirectly, stating that they, or anyone, had such an order?

Senator CAMDEN. No, sir; except a personal friend, who wrote me that there was such a rumor, to which I replied it was not possible such a thing existed.

The CHAIRMAN. Did anybody ever threaten you with the production of such an order, or make any demand upon you upon the statement that such order was in his possession?

Senator CAMDEN. Not directly—not personally—not within my personal knowledge; but I had an intimation from a friend.

Senator DAVIS. Do you know of anyone having an evil animus against you that would prompt them to forge such an order?

Senator CAMDEN. Well, nothing that I could speak of with any certainty. Of course, I have heard rumors of that kind, but they are not of such charater as to warrant me in speaking of them here.

Senator DAVIS. When you buy stocks—buy or sell—you put up margins, don't you?

Senator CAMDEN. Usually. Sometimes not.

Senator DAVIS. Have you examined your financial accounts, check book, or otherwise, to see whether you ever put up a margin that would account for that transaction? Have you ever done so or not?

Senator CAMDEN. There is nothing in any account that would indicate the margin of any special transaction of that kind.

The CHAIRMAN. Nothing in any account that you have——

Senator CAMDEN. No, sir.

The CHAIRMAN. That would indicate a margin for that transaction——

Senator CAMDEN. For that transaction.

The CHAIRMAN. Purporting to be evidenced by that order?

Senator CAMDEN. No, sir.

The CHAIRMAN. The evidence, Mr. Camden, is that this order was written on an envelope in lead pencil, written and signed in lead pencil. I take it that that is a somewhat unusual way of making an order. Is there anything in that circumstance that refreshes your recollection either way?

Senator CAMDEN. No, sir. It tends to confirm my opinion that it is spurious.

The CHAIRMAN. You say now, Senator, that you never had such a transaction as that order with any broker—as that order is in respect of——

Senator CAMDEN. I say that I never had.

The CHAIRMAN. That you never had?

Senator CAMDEN. To the best of my knowledge and belief.

The CHAIRMAN. Can you say so positively?

Senator CAMDEN. I can say so just as positively as a man can say anything that he has no knowledge of, and it is not a thing that would have likely escaped my attention.

Senator LODGE. If you have ever given an order of that character can you not recall it?

Senator CAMDEN. I think I could.

The CHAIRMAN. Did you say that the only transaction you ever had with Mr. Battershall, or through Mr. Battershall, was the one you described as an order to buy Chicago wheat?

Senator CAMDEN. I say that emphatically.

Senator LODGE. You say you do not recollect any such order as that. Could it have been possible for any such order to have been made for a pool, syndicate, or association to buy stock——

Senator CAMDEN. No, sir.

Senator LODGE. Of which you never had an account?

Senator CAMDEN. No, sir. I think not. In fact, I know not.

Senator LODGE. Whatever stocks you bought and sold you bought and sold alone for your own account?

Senator CAMDEN. Yes, sir; on my own account?

Senator DAVIS. Did you give Mr. Battershall an order for that wheat—a written order?

Senator CAMDEN. Simply verbal.

Senator DAVIS. In your other stock transactions with which this investigation is not concerned, that is, not sugar, were you in the habit of giving written orders?

Senator CAMDEN. No, sir.

Senator DAVIS. Did you in some instances?

Senator CAMDEN. I may have, in some instances.

Senator DAVIS. Did you ever give any of those orders by lead-pencil writing and signature?

Senator CAMDEN. I do not think I ever did, and I do not know that I gave any. I could not speak of having given any written order.

Senator DAVIS. Have you had any messages from Mr. Battershall, verbal or written, since this investigation began?

Senator CAMDEN. None whatever, either directly or indirectly. I have made inquiries with the view of trying to find where Mr. Battershall was and have him produced.

The CHAIRMAN. Produced where?

Senator CAMDEN. Before this committee.

Senator LODGE. Senator, you say you have no recollection whatever of ever giving such an order. You also say if you had given such an order you would recollect it. Can you not, therefore, swear positively that this must be a forgery?

Senator CAMDEN. I have stated, and I repeat, that, according to the best of my judgment, it is a fictitious or forged paper.

The CHAIRMAN. That is, the original of that photograph?

Senator CAMDEN. Yes, sir; the original of that photograph.

Senator DAVIS. Mr. Camden, my attention has been called to a peculiarity in the date of this order, "March 2," immediately under your signature. I wish you would look at that and state if you ever dated a paper in that way.

Senator CAMDEN. In the signature the letter N does not look like the letter N in my signature, and the "Camden" is spelled "Camdn." This is not characteristic of my signature.

Senator DAVIS. I called your attention to the peculiar place in which

the date is put—March 2. What is your usual abbreviation of "March?"

Senator CAMDEN. I do not know that I have a habit sufficient to justify me in stating that any particular abbreviation is mine, but "Mch." is my usual——

Senator DAVIS. But you observe that the date is placed immediately under your signature. What I ask you is, is that your usual place of dating communications of any kind?

Senator CAMDEN. No, sir; I always date them at the top. It is what you might call a universal habit.

There is one thing that I can state positively—that Mr. Battershall never received any such order or any other written order from me.

SWORN STATEMENT OF SENATOR JAMES SMITH, JR.—Recalled.

(July 31, 1894.)

Senator LODGE. Senator Smith, Mr. A. N. Seip, of Washington, put in, as a part of his testimony, the following letter:

[W. B. Wheeler & Co., stockbrokers, No. 64 Broadway, New York; branch office, Windsor Hotel.]

NEW YORK, *June 19, 1894.*

MY DEAR SIR: I see that Smith, of New Jersey, and Camden, of West Virginia, both swear that they had not speculated in sugar stock. I could produce a man, or, that is, I know a man (I do not think he would go back on them) who was in my office this morning that received orders in sugar from both of them, and he has Camden's written order. I should think that if a Senator swore falsely it was a pretty serious matter. Do they answer these questions under oath?

(Signed, with a portion omitted)

Yours, very truly,

E. GUILLAUDEU.

Mr. Guillaudeu was then called and, upon this letter which I have just read being shown to him, he was examined and testified as follows:

The CHAIRMAN. Just look at this extract in Mr. Seip's testimony, of what purports to be a letter from you, and say whether you wrote to Mr. Seip to that effect, and whether that is correct, as far as you know. We have not the original here.

Mr. GUILLAUDEU (after reading the extract). I presume that is about correct. I do not remember just what I wrote.

The CHAIRMAN. Here is another extract which purports to be an extract from a letter from you to Mr. Seip.

Mr. GUILLAUDEU (after reading it). I did not remember just what I had written. From that I should say that it all refers to Battershaw.

The CHAIRMAN. Upon what did you base your statement there in regard to Senator Smith?

Mr. GUILLAUDEU. Simply upon what Battershaw must have told me at the time.

The CHAIRMAN. Do you recollect?

Mr. GUILLAUDEU. I have no clear recollection. I had forgotten these letters to Seip. The thing had passed out of my mind; I paid so little attention to it. The order was not my property, and I wrote this confidentially.

The CHAIRMAN. Do you recollect now what Battershaw said in regard to Senator Smith?

Mr. GUILLAUDEU. I think he must have said that he had orders from Mr. Smith.

The CHAIRMAN. From reading those letters you think so?

Mr. GUILLAUDEU. Yes, sir.

The CHAIRMAN. Have you any recollection now independent of the letters?

Mr. GUILLAUDEU. No; I have not.

Have you any statement to make in regard to that?

Senator SMITH. That is absolutely false. I do not know Mr. Battershall and never gave him or any other person here in Washington an order for the purchase of sugar certificates. I will stand by the testi-

mony that I gave before, except in one particular. That is this: I see on examination that you asked or put the question whether the person had bought any sugar since Congress met. I supposed the intention was to find out whether the Senators had speculated or bought sugar stock pending the bill in the Senate, as I so understood the resolution ordering the investigation, and so understanding it I answered "no." I never kept a record of buying a share of stock, and I wrote to my broker asking him to send me word whether I had bought any sugar pending this——

The CHAIRMAN. Pending what—pending the tariff bill in the Senate?

Senator SMITH. Yes. Subsequently I had some doubts in my own mind, and concluded that I better write and find out, and I have not yet got an answer.

The CHAIRMAN. You have not received an answer?

Senator SMITH. No. I expected one to-day.

The CHAIRMAN. Do you recollect, Senator Smith, any transaction in sugar stock since the meeting of Congress?

Senator SMITH. My impression was that I bought a thousand shares of sugar——

The CHAIRMAN. When?

Senator SMITH. Along last January, or the first of February, as nearly as I can recollect. I won't swear positively that I did buy a thousand shares of sugar, but rather have the impression in my mind that at that time I did.

Senator DAVIS. Prior to the time the bill came to the Senate?

Senator SMITH. Prior to the discussion——

Senator DAVIS. No discussion. Prior to the time the bill came from the House?

Senator SMITH. Yes, sir. As I understand, your question covered from the time Congress met up to now. I don't want to be positive about that, because, as I say, while I would not want to swear that I did, I have rather an idea that I bought a thousand shares of sugar about that time, in January. But I want to say in regard to the Battershall testimony, that he is a man I never met in my life, that I know of, and never gave him an order.

Senator LODGE. You never met Battershall?

Senator SMITH. No.

Senator LODGE. Never knew him?

Senator SMITH. No.

Senator LODGE. Or any house which he represented?

Senator SMITH. That I do not know. I made a transaction in Newark through a man named Cohen, a brother-in-law of a personal friend of mine, and I do not know what house he represented. I never had but one.

Senator LODGE. Transaction in what?

Senator SMITH. I think it was in whisky.

Senator LODGE. Is it possible to have a transaction with a house you do not know, through its agents or brokers?

Senator SMITH. Yes; this man that I told you about was a great friend of a personal friend of mine at home. He said to me: "I wish you would help out my brother-in-law and buy something of him; it would help him a good deal." I said: "I will go to him and buy a thousand shares." I did not know what house he represented.

Senator LODGE. You never did know?

Senator SMITH. No.

Senator LODGE. You do not know whether it was sugar or not?

Senator SMITH. I do not. My judgment is that it was whisky, and I wrote to the man asking if he would send me word exactly what it was.

Senator LODGE. You do not know now whether it was sugar?

Senator SMITH. No.

The CHAIRMAN. Mr. Smith, what have you to say as to the answer you gave when you were before the committee before, in June, to this question: "Have you bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks, or stock or certificates of the American Sugar Refining Company?" your answer being "No, sir."

Senator SMITH. No. Well, I say that I am not so positive about that.

The CHAIRMAN. What would you mean by that answer, after the bill was pending in the Senate?

Senator SMITH. My supposition was that you wanted to find out whether I had bought or dealt in sugar certificates pending the tariff bill in the Senate. To that I said "No," and say so now to the best of my recollection.

Senator DAVIS. You say so now?

Senator SMITH. Yes, sir. I say so now to the best of my recollection.

The CHAIRMAN. And you say that you are not certain, on the occasion to which you refer, of having given an order to a friend's friend, whether it was sugar or whisky?

Senator SMITH. No; I am not.

The CHAIRMAN. Possibly may have been sugar, but you do not know?

Senator SMITH. No; but I have written to ask, and supposed I would get an answer to-day.

The CHAIRMAN. When you get it will you inform us?

Senator SMITH. I will just hand you the letter. I ought to get an answer in this afternoon's mail.

The CHAIRMAN. That is the only transaction that interferes with your former answer?

Senator SMITH. The only transaction.

The CHAIRMAN. If it were a transaction.

Senator SMITH. If it were. I do not know. I could not swear positively what it was.

Senator DAVIS. You do not know whether it was sugar or whisky?

Senator SMITH. No.

Senator LODGE. Was this transaction before the tariff bill came to the Senate?

Senator SMITH. Yes, sir, as I remember it; along the latter part of January, as I remember it. I never kept any account of my transactions.

The CHAIRMAN. Are you in the habit of speculating frequently, buying and selling?

Senator SMITH. Yes, sir; buying for investment or speculating, often.

The CHAIRMAN. Do you know Battershall?

Senator SMITH. No, sir; I have never seen him, never met him; never had a transaction here in my life.

The CHAIRMAN. You never had a transaction in Washington in your life?

Senator SMITH. No.

Adjourned.

WASHINGTON, D. C., *August 2, 1894.*

The committee met pursuant to the call of the chairman.

Present: The chairman (Senator Gray) and Senators Lindsay, Davis, and Lodge.

SWORN STATEMENT OF JAMES SMITH, JR.—Continued.

Senator Smith having appeared and requested to make a further statement he was interrogated, and testified as follows:

Senator DAVIS. You expressed some uncertainty the other day as to whether you may not have had a transaction in sugar during the pendency of the tariff bill in the Senate, but stated that you had written to ascertain and would communicate with the committee after so ascertaining.

Senator SMITH. Yes, sir.

Senator DAVIS. Have you ascertained what the fact is, since your last appearance?

Senator SMITH. I have.

Senator DAVIS. What is the fact?

Senator SMITH. That I have not bought or sold any sugar certificates.

Senator DAVIS. So that I understand you desire to remove that uncertainty which existed in your testimony and state unqualifiedly that you have not bought or sold any sugar stock during the pendency of the bill in the Senate?

Senator SMITH. Yes, sir.

APPENDIX A.

IN THE SENATE OF THE UNITED STATES.

MAY 25, 1894.—Ordered to be printed.

Mr. GRAY, from the Special Committee to Investigate Attempts at Bribery, etc., under resolution of the Senate of May 17, 1894, submitted the following

REPORT:

Your committee appointed to investigate among other things the charge that bribes had been offered to certain Senators to induce them to vote against the pending tariff bill, submit the following report:

That the matter committed to them for investigation by the first branch of the resolution of the Senate, as above stated, presented a distinct and definite charge not connected in anywise with the other matters embraced in said resolution. They first addressed themselves thereto. They have called before them the Senators from Virginia and South Dakota, Messrs. Hunton and Kyle, whose names were mentioned in the New York Sun article, referred to in the Senate resolution, and afterward the several witnesses whose names and testimony will appear in full in the papers herewith submitted.

No other witness than those has been suggested as likely to throw light on the transactions inquired about, and no clew leading to other testimony has been discovered by your committee.

It appears from the testimony submitted that a certain Charles W. Buttz, of North Dakota, but domiciled in Washington since December last, where he has been engaged as a lobbyist and claim agent, did, on or about the 1st of April of this year, at the house of Senator Hunton, in Warrenton, Va., during the absence of the Senator, say to his son, Eppa Hunton, jr., that he would pay him a contingent fee of $25,000 if he would, by presenting arguments as to the pending tariff bill, induce his father, Senator Hunton, to vote against it.

This offer was declined at once and peremptorily by Eppa Hunton, jr., as set forth in his testimony, and the whole matter was communicated by him to his father. Senator Hunton availed himself of the first opportunity to disclose the matter to certain of his friends in the Senate, as appears in the testimony, and was in no other way connected with the transaction.

It is also established by the testimony that the same Charles W. Buttz, during the month of March last past, approached Senator Kyle, of South Dakota, with a proposition that $14,000 would be paid to him (Senator Kyle) if he would vote against the pending tariff bill. The said Buttz, when making this proposition, also stated to Senator Kyle that the money was in the hands or control of an agent of certain bankers and capitalists of New York City, and that the money was in Washington.

Senator Kyle's testimony is confirmed by that of Mr. Duncan McFarlane, clerk to the Committee on Education and Labor.

Senator Kyle is shown by the testimony to have communicated this interview with Buttz, and the offer made to him, to several Senators shortly after the said interview took place.

Your committee are abundantly justified in stating that the facts above recited have been established by the evidence, notwithstanding the denial on the part of Charles W. Buttz, and they refer the Senate to the testimony in detail in support of this finding.

Your committee find nothing from their investigation to impeach, in the least degree, the honor or character of Senators Hunton and Kyle.

There is no evidence to show the truth of Mr. Buttz's statements to Senator Kyle and to Mr. Eppa Hunton, jr., that a syndicate of bankers and capitalists had raised a sum of money to be used for the purpose of defeating the pending tariff bill, or that there was an agent of such a syndicate in Washington, or that any money was in Washington for that purpose. Buttz denies that he made any such statement, or that he had or has any knowledge of the existence of such a syndicate, or that he was the agent or representative of anyone. He further denies that he had any money himself.

If, during the further prosecution of the investigation with which your committee is charged, any evidence be discovered or suggested tending to support the statements made to Senator Kyle, or to Mr. McFarlane, or to Mr. Eppa Hunton, jr., by Charles W. Buttz, it will be promptly laid before the Senate. Until then your Committee are compelled, upon all the evidence submitted to them, to the conclusion that the statements of Charles W. Buttz are wholly untrustworthy.

All the testimony has been stenographically reported, and is herewith submitted to the Senate.

GEO. GRAY.
WILLIAM LINDSAY.
HENRY CABOT LODGE.
C. K. DAVIS.
WM. V. ALLEN.

53D CONGRESS, 2d Session. | SENATE. | REPORT No. 457.

APPENDIX B.

IN THE SENATE OF THE UNITED STATES.

MAY 29, 1894.—Ordered to be printed.

Mr. GRAY, from the Special Committee to Investigate Attempts at Bribery, etc., under resolution of the Senate of May 17, 1894, submitted the following

REPORT:

The special committee, under and in pursuance of a resolution of the Senate of May 17, A. D. 1894, as follows—

Whereas it has been stated in the Sun, a newspaper published in New York, that bribes have been offered to certain Senators to induce them to vote against the pending tariff bill; and

Whereas it has also been stated in a signed article in The Press, a newspaper published in Philadelphia, that the sugar schedule has been made up as it now stands in the proposed amendment in consideration of large sums of money paid for campaign purposes of the Democratic party: Therefore,

Resolved, That a committee of five Senators be appointed to investigate these charges and to inquire further whether any contributions have been made by the sugar trust, or any person connected therewith, to any political party for campaign or election purposes or to secure or defeat legislation, and whether any Senator has been or is speculating in what are known as sugar stocks during the consideration of the tariff bill now before the Senate, and with power to send for persons and papers and to administer oaths.

Resolved further, That said committee be authorized to investigate and report upon any charge or charges which may be filed before it alleging that the action of any Senator has been corruptly or improperly influenced in the consideration of said bill, or that any attempt has been made to so influence legislation.

have attended to their duties so far as they have been able, because of the matters hereinafter stated, and ask leave to report in part as follows:

In pursuance of said resolution the said committee met in the Capitol on the 21st day of May, 1894, at 10 o'clock a. m., and, after the examination of certain matters embraced in the first paragraph of the said resolution, the committee proceeded to investigate further the matters submitted to them by the said resolution, and on the 24th day of May, A. D. 1894, the committee being duly assembled, one Elisha J. Edwards, who had been duly subpœnaed and summoned as a witness to appear before said committee, then and there appeared and submitted to be examined as a witness. The witness was duly sworn by the chairman of said committee.

He was shown a copy of The Press, a newspaper printed and published in the city of Philadelphia, of the date of May 14, 1894. He stated that he was a correspondent of that paper, and that a certain letter therein contained, signed Holland, was written and sent to said paper by him.

Whereupon the following proceedings were had:

The CHAIRMAN. You say:

"Upon one occasion, some time in February, when the Finance Committee or the Democratic members of it were in perhaps informal session, there came into the room, unexpectedly to all those present excepting two members, none other than the Secretary of the Treasury, Mr. Carlisle. His going there at that time has never been reported until this writing of it. He went secretly and came away secretly. His visit was supposed to be a confidential one. It was a confidence not imposed upon one member of that committee, and, therefore, it is possible now to make report of what Mr. Carlisle said. They looked upon him as speaking not so much for Mr. Carlisle as for the administration. He did not say that he came from the President, but when he had finished making his astonishing statement not one of those who heard him doubted that he had come from the President and was echoing the President's wishes and giving emphasis to them by an earnest and, for him, excited manner. What he said is quoted from remembrance, but it is substantially accurate as it was reported by one who heard it."

You say from remembrance. Is it yours?

Mr. EDWARDS. Partly mine and partly my informant's.

The CHAIRMAN. You mean to say that you heard Mr. Carlisle?

Mr. EDWARDS. No.

The CHAIRMAN. You say what he said is quoted from remembrance?

Mr. EDWARDS. My remembrance of what my informant said.

The CHAIRMAN. Who was your informant?

Mr. EDWARDS. That, I suppose, I shall have to decline to answer. I do it with the utmost respect to the committee and the Senate. The information was given to me under obligations of the highest confidence by the one who entailed that obligation, so that I do not feel at liberty to reveal his name.

After the above-detailed proceedings were had the witness requested time in which to consult counsel; which request was granted.

That on the afternoon of the same day, the 24th of May, 1894, the witness reappeared before the committee and asked a further indulgence, on the ground that he had been unable as yet to consult with his counsel.

Whereupon the witness was further examined, as will appear by the stenographer's report herewith submitted.

That on the 25th day of May, A. D. 1894, the witness, Edwards, reappeared before the committee, accompanied by his counsel, when the committee, through their chairman, propounded to the witness the following questions:

Now, Mr. Edwards, when you left the room on yesterday it was for the purpose of consulting your counsel and making up your mind, after having consulted him, whether you would answer the question that was propounded to you by the committee, which question was, "Who gave you the information upon which you made the statement that the Secretary of the Treasury, Mr. Carlisle, made a secret visit to the Democratic members of the Finance Committee some time in February, and while there made a certain appeal to them?" all of which was read to you as from your letter to the Phildelphia Press, published May 14, 1894. The question is now repeated.

Whereupon the witness, by his counsel, filed the following objections to answering said question:

First. That the question relates to a subject that was not referred to the committee, as the resolution of the Senate under which the committee is acting shows on its face. Second. That the resolution does not show on its face that it is intended for any purpose of legislation, or with regard to any matter within the jurisdiction of the Senate to inquire into. Third. That the question has no relevancy to the jurisdiction that the Senate has to punish its members for disorderly conduct, nor to the jurisdiction of the Senate to compel the attendance of absent members, nor to the jurisdiction of the Senate to determine as to the election or qualification of its own members, nor to the jurisdiction of the Senate to try cases of impeachment. Those are the only matters in which the Senate has power to compel a witness to testify, if the result of his refusal places him in contempt. Fourth. That the question solicits information that is utterly unnecessary. It is important for the committee, for the purpose of arriving at the truth of the alleged charge, to ascertain who informed Mr. Edwards. The question before the committee is, whether the charge is true or false, not who gave the information. As to whether it is true or

false, the information can be obtained from the Secretary of the Treasury and from the members of the Finance Committee. Suppose they admit it, it would not be necessary to get the name of the informant; if they deny it, it would be equally unnecessary. An answer to the question may have a tendency to bring about criminal proceedings against the witness. Fifth. Being a newspaper man, the witness is under honorable obligations not to disclose the source of his information, because if he violated that obligation of honor it would degrade him in the estimation not only of members of his own profession, but of the entire community.

The said several objections were overruled by the committee, and thereupon the following further proceedings were had:

Mr. EDWARDS. I shall have to follow the advice given by my counsel, and for the reasons set forth decline to answer.

The CHAIRMAN. We ask you again who was your informant that Mr. Carlisle, after having made that statement, turned and left the committee room, going away with that secrecy with which he came, but before he did so signified his willingness himself to prepare an amendment which he thought would be fair to the Government and yet be just to the sugar interests?

Mr. EDWARDS. As I stated yesterday.

The CHAIRMAN. An you decline to answer?

Mr. EDWARDS. For the same reasons.

The CHAIRMAN. Who is your informant that when the bill was before the subcommittee of the Finance Committee of the Senate some of the officers and managers of the sugar trust established themselves in Washington, being in New York a part of the time and in Washington at frequent intervals; that upon one occasion there were gathered in a room in a Washington hotel Mr. Havemeyer, Senator Brice, Senator Smith, of New Jersey, Brice's Terrill, and one other man, whose name it may be worth while to withhold for the present?

Mr. EDWARDS. The same informant.

The CHAIRMAN. And you decline to answer?

Mr. EDWARDS. For the same reasons.

The CHAIRMAN. Who is your informant that on the very day that Mr. Voorhees, the chairman of the Finance Committee denied, in the Senate, that any amendments were proposed to the Senate's bill as originally reported by the Finance Committee, the list of some 400 amendments, as prepared by Senator Jones, was in the hands of one of the members of the brokerage firm of Moore & Schley?

Mr. EDWARDS. The same informant.

The CHAIRMAN. And you decline to answer?

Mr. EDWARDS. Under the advice of counsel.

The CHAIRMAN. Who informed you that upon the Sunday before the bill, as first reported, was sent to the Senate there was a striking illustration of the absolute domination of the sugar trust over the Democratic members of the Finance Committee; that that was an all-day and half-the-night session and upon the Sabbath day; that in one room were the Democratic members of the Finance Committee and in one wing of the Capitol were the representatives of the sugar trust—Havemeyer and Terrill and Meyer and Ben Le Fevre and others; that these men sat, as the rulers of a political convention sit, in a place apart, and yet within instant communication of those who are to act; that there were runnings back and forth between the finance rooms and the quarters occupied by the trust all day; that everything had been arranged up to the point of satisfying the Louisiana Senators; that even the trust realized it was necessary for the Democratic party to placate these Louisiana men, or else there would surely be two votes against the bill; that it was a question of compromise, each side giving a little and taking a little; that at one time it seemed as if the whole negotiation must go to pieces; that never was there more desperate battle between conflicting interests in the committee rooms of the Capitol; that at last, late that evening, Senator Caffery drafted a schedule, Mr. Havemeyer looking over his shoulder and the other members of the sugar trust watching the Senator with eyes that fairly glittered, as one Senator who saw that spectacle afterwards expressed it; that it was a crucial moment; that when Senator Caffery had finished the sugar trust read his draft, reluctantly accepted it; it was taken to the room of the Finance Committee, and there accepted?

Mr. EDWARDS. The same informant.

The CHAIRMAN. Who was it?

Mr. EDWARDS. I decline to answer, under advice of counsel.

The testimony of the said witness Edwards is hereto attached, and marked exhibit 1.

In further performance of their duties the committee on the 24th day of May, A. D. 1894, proceeded to examine as a witness one John S.

Shriver, who had been duly subpœnaed and summoned as a witness, and he then appeared and submitted himself to be examined as a witness before the committee, and after being duly sworn by the chairman of the committee, testified that he was a correspondent of the Mail and Express, a newspaper printed and published in the city of New York.

A copy of said newspaper, dated May 19, 1894, was shown said witness, and he stated that he wrote the article or letter therein contained, making certain allegations which are properly the subject of inquiry by the committee.

Whereupon the following proceedings were had:

The CHAIRMAN. In it you say (referring to the article above-mentioned):

"Just here it may be well to give a little incident in the proceedings of the last few weeks in which the sugar trust has taken such a prominent part. The headquarters of the officials of the trust have been in a certain room in the Arlington Hotel.

"The night the celebrated demand was made on the Democratic Senators that the trust must be cared for or the Wilson bill would be killed, there happened to be in the next room to the sugar trust parlor a wire manufacturer from a place not far from New York. He had come to Washington to try to induce the Senate Finance Committee to change its schedule in which he was interested, and, worn out with his vain attempts to secure an audience with the Democratic 'triumvirate' in charge of the bill, he had retired to his room.

"He had hardly sought his bed before the loud talking in the sugar-trust parlor attracted his attention. He tried to sleep, but slumber was impossible. The voices next door grew louder and more violent as the night proceeded. He distinctly distinguished the voices of several Democratic Senators whom he knew, and also those of the sugar-trust magnates. It was nearly morning when the conference broke up and the wire-manufacturer was allowed at last to fall asleep. He did not, however, remain in bed long after the sun was up, because what he had heard seemed to him too good news.

"Bright and early he was down in the lobby of the hotel and telling his friends, among them a couple of Congressmen, that he knew the Wilson bill would never pass. He made no secret of how he got his information, and even told the names of the Senators who had been in the room next to him nearly all night. The wire-manufacturer did not linger about Washington, but returned to his home fully satisfied that there was no use for his remaining any longer to see the Democratic Finance Committee."

That is in your letter. Do you, of your own knowledge, know the facts therein stated?

Mr. SHRIVER. The story was told to me.

The CHAIRMAN. I first ask you, do you, of your own knowledge, know the facts therein stated?

Mr. SHRIVER. No.

The CHAIRMAN. What is your authority for that statement?

Mr. SHRIVER. A Congressman, member of the House.

The CHAIRMAN. Did he tell you this?

Mr. SHRIVER. Yes; that he was told by this wire manufacturer.

The CHAIRMAN. What is the Congressman's name?

Mr. SHRIVER. I am requested by the Congressman not to reveal it.

The CHAIRMAN. But we want you to reveal it.

Mr. SHRIVER. He has requested me not to do it. He gave me the story for publication, never thinking anything would come of it. When I spoke to him about having been spoken to by members of the committee in regard to it, he said he did not wish to be brought into the matter, and requested me not to give his name.

Senator LODGE. Do you know the name of the wire manufacturer?

Mr. SHRIVER. Yes.

The CHAIRMAN. What is his name?

Mr. SHRIVER. The Congressman does not desire me to give that either.

* * * * * * *

Senator DAVIS. This investigation is predicated on this article. You have no excuse not to disclose these names, legal excuse, except that it will criminate you. I do not understand you, to put your hesitation to answer upon the ground that you will be criminating yourself.

Mr. SHRIVER. Not at all. But it is this: A newspaper man considers when information is given to him in confidence he should not violate the confidence.

* * * * * * *

The CHAIRMAN. You say: "There are a number of Senators who will be glad if this investigation should fail, simply because then they could charge the correspondents with circulating scandalous reports and have another chance to denounce the press upon the floor of the Senate. But if the newspaper men are given a chance to tell all they know some interesting developments will be made."

Did you write that?

Mr. SHRIVER. Yes. You know when a newspaper man is told a thing he is generally supposed to hold the confidence of the man. I have been a newspaper correspondent in Washington for ten years. I think I hold the confidence of a good many members, because I never violated their confidence. I think there are things, if I should give my authority, at times it would lessen me in their opinion and prevent me carrying on my business. And this is a case where I have requested the Congressman to use his name, and he declines to allow me to do it.

After the proceedings above detailed, the witness (Shriver) requested time in which to consult counsel. That on the 25th day of May, A. D. 1894, the witness reappeared before the committee, and announced that he had consulted counsel, and the following proceedings were had:

The CHAIRMAN. Then you definitely decline this morning to tell the committee who it was told you the story that was published by you in the Mail and Express, in its issue of Saturday last, and to which your attention was directed on yesterday?

Mr. SHRIVER. I do at present, because I have been asked not to do so.

The CHAIRMAN. Then you do definitely decline?

Mr. SHRIVER. Yes; I decline because I have not seen my counsel within two hours, and he advised me to decline until I had seen him.

The CHAIRMAN. Do you decline, also, to give the name of the person who was alluded to in that letter as the wire manufacturer?

Mr. SHRIVER. Yes; I do.

The testimony of the witness Shriver by question and answer is hereto attached, and marked exhibit No. 2.

The subpœnas by which said witnesses were commanded to appear and testify before the committee at the time and place aforesaid, together with the certificate of service thereof, are hereto attached, and marked exhibits 3 and 4, respectively.

In the opinion of the committee each of the questions put to each of said witnesses was a proper question, and pertinent to the question under inquiry before the committee, and was necessary to make the examination ordered by said resolution of the Senate, and that each of said witnesses is in contempt of the Senate and merits to be dealt with for his misconduct; and that each of said witnesses, by his various refusals to answer the questions as herein set forth, has violated the provisions of that certain act of Congress in such cases made and provided, being chapter 7 of the Revised Statutes of the United States, which chapter is as follows:

SEC. 102, Rev. Stat. Every person who, having been summoned as a witness by the authority of either House of Congress to give testimony or to produce papers upon any matter under inquiry before either House or any committee of either House of Congress, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the question under inquiry, shall be deemed guilty of a misdemeanor, punishable by a fine of not more than one thousand dollars nor less than one hundred dollars, and imprisonment in a common jail for not less than one month nor more than twelve months.

SEC. 103. No witness is privileged to refuse to testify to any fact or to produce any paper respecting which he shall be examined by either House of Congress, or by any committee of either House, upon the ground that his testimony to such fact or his production of such paper may tend to disgrace him or otherwise render him infamous.

SEC. 104. Whenever a witness summoned, as mentioned in section one hundred and two, fails to testify, and the facts are reported to either House, the President of the Senate or the Speaker of the House, as the case may be, shall certify the fact under the seal of the Senate or House to the district attorney for the District of Columbia, whose duty it shall be to bring the matter before the grand jury for their action.

Wherefore, the committee report and request that the President of the Senate certify as to each witness his aforesaid failure to testify and his aforesaid refusals to answer, and all the facts herein, under the seal of the Senate, to the U. S. district attorney for the District of Columbia, to the end that each of said witnesses may be proceeded against in manner and form provided by law.

GEO. GRAY.
WILLIAM LINDSAY.
C. K. DAVIS.
H. C. LODGE.
WILLIAM V. ALLEN.

53D CONGRESS, 2d Session. } SENATE. { REPORT No. 477.

APPENDIX C.

IN THE SENATE OF THE UNITED STATES.

JUNE 12, 1894.—Ordered to be printed.

Mr. GRAY, from the Special Committee to Investigate Attempts at Bribery, etc., submitted the following

REPORT:

The special committee, under and in pursuance of a resolution of the Senate of May 17, A. D. 1894, as follows:

Whereas it has been stated in the Sun, a newspaper published in New York, that bribes have been offered to certain Senators to induce them to vote against the pending tariff bill; and

Whereas it has also been stated in a signed article in The Press, a newspaper published in Philadelphia, that the sugar schedule has been made up as it now stands in the proposed amendment in consideration of large sums of money paid for campaign purposes of the Democratic party: Therefore,

Resolved, That a committee of five Senators be appointed to investigate these charges and to inquire further whether any contributions have been made by the sugar trust, or any person connected therewith, to any political party for campaign or election purposes or to secure or defeat legislation, and whether any Senator has been or is speculating in what are known as sugar stocks during the consideration of the tariff bill now before the Senate, and with power to send for persons and papers and to administer oaths.

Resolved further, That said committee be authorized to investigate and report upon any charge or charges which may be filed before it alleging that the action of any Senator has been corruptly or improperly influenced in the consideration of said bill, or that any attempt has been made to so influence legislation.

have attended to their duties so far as they have been able, because of the matters hereinafter stated, and ask leave to report in part as follows:

In pursuance of said resolution the said committee met in the Capitol on the 21st day of May, 1894, at 10 o'clock a. m., and, after the examination of certain matters embraced in the first paragraph of the said resolution, the committee proceeded to investigate further the matters submitted to them by the said resolution, and on the 8th day of June, A. D. 1894, the committee being duly assembled, one Elverton R. Chapman, who had been duly subpœnaed and summoned as a witness to appear before said committee, then and there appeared and submitted to be examined as a witness. The witness was duly sworn by the chairman of said committee.

After certain testimony had been given by him his examination was, at his request, continued until the 9th day of June, A. D. 1894, at which date he appeared, and the testimony of the said Elverton R. Chapman having been resumed, the following proceedings were had before the committee, and he was asked the following questions, to which questions he made the following answers and refusals to answer:

The CHAIRMAN. Mr. Chapman, you were asked yesterday whether your firm is a large dealer in sugar stock, and you were told by Senator Davis that in connection with this question, which was to be con-

sidered as preliminary to inquiry of the witness into dealings he or his firm may have had in sugar stocks during the pendency of the present tariff bill in the Senate, in which dealings Senators were, or are, directly or indirectly interested. That was the question in regard to which you said yesterday that you would like before answering to consider. What do you say this morning in answer to that question already put, and I put it to you again?

Mr. CHAPMAN. With reference to the first part of the inquiry, as it is matter of public notoriety among our associate members of the New York Stock Exchange, I state that we have handled large quantities of stock of the American Sugar Refining Company during the pendency of this bill.

Senator LODGE. You have bought and sold?

Mr. CHAPMAN. Bought and sold. Perhaps is better bought and sold than handled.

The CHAIRMAN. Were any of those transactions in sugar stock or certificates, so called, transactions in which any Senators of the United States were interested, either directly or indirectly, during the pendency of the present tariff bill, or the consideration of the present tariff bill?

Mr. CHAPMAN. With all due respect to this honorable committee, I decline to answer that question or any question relating to the business of the firm of Moore & Schley, of which I am a partner.

The CHAIRMAN. Have you finished your answer?

Mr. CHAPMAN. I have.

The CHAIRMAN. You have? Do you decline to answer that question on the ground that its answer may tend in any way to criminate yourself or expose you to a criminal prosecution of any kind whatever?

Mr. CHAPMAN. I decline to answer that question for the reason that we are brokers, and as such are engaged in the business of buying, selling, and carrying stocks, bonds, and other securities dealt in on the New York Stock Exchange for the account of our customers, who are the principals. In transactions we are simply their agents, and as such have neither a moral nor a legal right to divulge the details of business with which we are intrusted. Our relations with our clients are those of the closest confidence, and should we violate this confidence, even at the demand of this honorable committee, we should justly forfeit the respect of those upon whom we must depend for our business.

The CHAIRMAN. You have given a reason for declining to answer the question before the last. My last question was whether you decline to answer for the reason that an answer might expose you to criminal prosecution or tend to expose you to such in any way.

Mr. CHAPMAN. I do not.

The CHAIRMAN. You do not for that reason.

Senator LODGE. You decline to answer for the reason that you have just stated?

The CHAIRMAN. And not for the reason that I have just asked?

Mr. CHAPMAN. That is correct.

Senator DAVIS. You have been summoned to appear before this committee as a witness, have you not?

Mr. CHAPMAN. Yes.

Senator DAVIS. And you appear pursuant to that summons?

Mr. CHAPMAN. I do, sir.

Senator DAVIS. Mr. Chapman, you are asked whether the firm of Moore & Schley have bought or sold what are known as sugar stocks during the month of February, 1894, and after the first day of that

month, for or in the interest, direct or indirect, of any United States Senator?

Mr. CHAPMAN. I decline to answer that question.

Senator DAVIS. Has the firm of Moore & Schley during the month of March, 1894, bought or sold any stocks or securities known as sugar stocks for or in the interest, direct or indirect, of any United States Senator?

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Has the firm of Moore & Schley during the month of April, 1894, bought or sold any stocks or securities known as sugar stocks for or in the interest, direct or indirect, of any United States Senator?

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Has the firm of Moore & Schley during the month of May, 1894, bought or sold any stocks or securities known as sugar stock for or in the interest, direct or indirect, of any United States Senator?

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Has the firm of Moore & Schley, during the month of June, 1894, bought or sold any stocks or securities known as sugar stock for or in the interest, direct or indirect, of any United States Senator?

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Is the firm of Moore & Schley at present carrying any sugar stock for the benefit of or in the interest, direct or indirect, of any United States Senator?

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Mr. Chapman, has your attention been called to, and have you considered, sections 102, 103, and 104 of the Revised Statutes of the United States upon the subject of refusal of a witness to answer a question pertinent to the inquiry when addressed to him by a committee duly authorized to investigate?

Mr. CHAPMAN. In a general way, yes.

Senator DAVIS. You have read the statute?

Mr. CHAPMAN. I have not read it.

Senator DAVIS. I show you the sections to which I refer. Just cast your eye over them.

Mr. CHAPMAN (after reading). I have now read the statute.

Senator DAVIS. After reading that statute, do you still persist in your refusal to answer the several questions which have been addressed to you?

Mr. CHAPMAN. I do.

Senator ALLEN. Mr. Chapman, Hon. Nelson W. Aldrich is a United States Senator from the State of Rhode Island, now engaged in discharging his duties as a member of the Senate, and has been since the 1st of February, 1894. You may state if he has purchased or sold any sugar stock, such as are menitoned in this resolution, through your firm during the period I have mentioned. I speak of the period from the 1st day of February, 1894, to the present moment, during all which time the tariff bill has been under discussion in the Senate.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. You decline to answer. William V. Allen is a United States Senator from the State of Nebraska, and has been during this period. You may state if during that time he bought or sold, or had been concerned in buying or selling, sugar stocks through your firm.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. I want to state to you, in connection with this question, Mr. Chapman, that I am the William V. Allen whose name is embraced in the preceding question, and I give you full liberty, and make personal request of you, to testify before this committee if I have had any business transactions with your firm or through your firm in the purchase or sale of sugar stocks or any other stocks during that period. I hope you will waive your privilege, as you look at it, to that extent.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. You decline to answer that. The Hon. William B. Allison is a United States Senator from the State of Iowa, and has been during the period I have mentioned. State whether he has been concerned in buying or selling any sugar stocks during the period I have mentioned. I am going to take you through the list of these names, and you may answer as rapidly as I can proceed with them.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. I put to you the same question in reference to Hon. William B. Bate, a United States Senator from the State of Tennessee.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. I put to you the same question with reference to Hon. James H. Berry, a United States Senator from the State of Arkansas.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Joseph C. S. Blackburn, a United States Senator from the State of Kentucky.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Hon. Calvin S. Brice, a Senator from the State of Ohio, you have testified about. Hon. Matthew C. Butler is a United States Senator from the State of South Carolina. I ask you the same question with reference to him.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also the same question with reference to Hon. Donelson Caffery, a United States Senator from the State of Louisiana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Wilkinson Call, a United States Senator from the State of Florida.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Johnson N. Camden, a United States Senator from the State of West Virginia.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James Donald Cameron, a United States Senator form the State sf Pennsylvania.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Joseph M. Carey, a United States Senator from the State of Wyoming.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William E. Chandler, a United States Senator from the State of New Hampshire.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Francis M. Cockrell, a United States Senator from the State of Missouri.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Richard Coke, a United States Senator from the State of Texas.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Shelby M. Cullom, a United States Senator from the State of Illinois.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John W. Daniel, a United States Senator from the State of Virginia.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also the Hon. Cushman K. Davis, a United States Senator from the State of Minnesota. He is a member of the committee, and may speak for himself.

Senator DAVIS. Mr. Chapman, I request and insist that you answer that question.

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Do you wish to put me in the position of appearing to have speculated in sugar stocks through your firm?

Mr. CHAPMAN. I do not; I simply decline upon general principles.

Senator ALLEN. Also the Hon. Nathan F. Dixon, a United States Senator from the State of Rhode Island.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Joseph N. Dolph, a United States Senator from the State of Oregon.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Fred T. Dubois, a United States Senator from the State of Idaho.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Charles J. Faulkner, a United States Senator from the State of West Virginia.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William P. Frye, a United States Senator from the State of Maine.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Jacob H. Gallinger, a United States Senator from the State of New Hampshire.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James Z. George, a United States Senator from the State of Mississippi.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Charles H. Gibson, a United States Senator from the State of Maryland.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John B. Gordon, a United States Senator from the State of Georgia.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Arthur P. Gorman, a United States Senator from the State of Maryland.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. George Gray, United States Senator from the State of Delaware.

Mr. CHAPMAN. I decline to answer.

The CHAIRMAN. I make the same request that Senator Davis did, and ask and insist that you answer the question so far as I am concerned.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Eugene Hale, United States Senator from the State of Maine.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also the Hon. Henry C. Hansbrough, United States Senator from the State of North Dakota.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Isham G. Harris, a United States Senator from the State of Tennessee.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Joseph R. Hawley, a United States Senator from the State of Connecticut.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Anthony Higgins, a United States Senator from the State of Delaware.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. David B. Hill, a United States Senator from the State of New York.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. George F. Hoar, a United States Senator from the State of Massachusetts.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Eppa Hunton, a United States Senator from the State of Virginia.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. J. L. M. Irby, a United States Senator from the State of South Carolina.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James K. Jones, a United States Senator from the State of Arkansas?

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John P. Jones, a United States Senator from the State of Nevada?

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James H. Kyle, a United States Senator from the State of South Dakota?

Mr. CHAPMAN. I decline to answer?

Senator ALLEN. Also Hon. William Lindsay, a United States Senator from the State of Kentucky, who is also a member of this committee, and who, I am well satisfied, would desire you to make any statement concerning him if he were present. He is detained from the committee by sickness.

Mr. CHAPMAN. I also decline to answer as to him.

Senator ALLEN. Also Hon. Henry Cabot Lodge, a United States Senator from the State of Massachusetts, a member of the committee.

Senator LODGE. I request and insist, Mr. Chapman, as Mr. Gray and Mr. Davis have done, that you reply whether, directly or indirectly, I have dealt through your firm in the purchase or sale of any kind of stocks?

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. You may assume that that request is made and urged upon you, Mr. Chapman, by every member of the committee, collectively and individually. Also Hon. James McMillan, a United States Senator from the State of Michigan.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John R. McPherson, a United States Senator from the State of New Jersey.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Charles F. Manderson, a United States Senator from the State of Nebraska.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John Martin, a United States Senator from the State of Kansas.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Roger Q. Mills, a United States Senator from the State of Texas.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John L. Mitchell, a United States Senator from the State of Wisconsin.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John H. Mitchell, a United States Senator from the State of Oregon.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John T. Morgan, a United States Senator from the State of Alabama.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Justin S. Morrill, a United States Senator from the State of Vermont.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Edward Murphy, jr., a United States Senator from the State of New York.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John M. Palmer, a United States Senator from the State of Illinois.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Samuel Pasco, a United States Senator from the State of Florida.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Wm. A. Peffer, a United States Senator from the State of Kansas.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. George C. Perkins, a United States Senator from the State of California.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. R. F. Pettigrew, a United States Senator from the State of South Dakota.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Orville H. Platt, a United States Senator from the State of Connecticut.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Thomas C. Power, a United States Senator from the State of Montana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Redfield Proctor, a United States Senator from the State of Vermont.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James L. Pugh, a United States Senator from the State of Alabama.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Matthew S. Quay, a United States Senator from the State of Pennsylvania.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Matt W. Ransom, a United States Senator from the State of North Carolina.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William N. Roach, a United States Senator from the State of North Dakota.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John Sherman, a United States Senator from the State of Ohio.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. George L. Shoup, a United States Senator from the State of Idaho.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James Smith, jr., a United States Senator from the State of New Jersey.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Watson C. Squire, a United States Senator from the State of Washington.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William M. Stewart, a United States Senator from Nevada.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Henry M. Teller, a United States Senator from the State of Colorado.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. David Turpie, a United States Senator from the State of Indiana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. George G. Vest, a United States Senator from the State of Missouri.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William F. Vilas, a United States Senator from the State of Wisconsin.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Daniel W. Voorhees, a United States Senator from the State of Indiana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William D. Washburn, a United States Senator from the State of Minnesota.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Edward D. White, formerly United States Senator of the State of Louisiana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also the Hon. Senator Jarvis, of the State of North Carolina.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Senator McLaurin, of the State of Mississippi.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Newton C. Blanchard, a United States Senator from the State of Louisiana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Stephen M. White, a United States Senator from the State of California.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James F. Wilson, a United States Senator from the State of Iowa.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Edward O. Wolcott, a United States Senator from the State of Colorado.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Senator Patton of the State of Michigan.

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Also Senator Stockbridge, of Michigan, recently deceased.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Now, Mr. Chapman, I understand you to refuse to testify anything whatever concerning any dealings your firm may have had for or on account of any of the persons whose names we have mentioned?

Mr. CHAPMAN. I do.

Senator ALLEN. As dealers in what are known as sugar stocks, pending the present tariff bill, since February 1, 1894, to the present time?

Mr. CHAPMAN. I do.

The CHAIRMAN. And also as to whether any of the persons named have had any dealings or not?

Mr. CHAPMAN. I decline.

The subpœna by which said witness was commanded to appear and testify before the committee at the time and place aforesaid, together with certificate of service thereof, is hereto attached and marked Exhibit A.

EXHIBIT A.

UNITED STATES OF AMERICA.—CONGRESS OF THE UNITED STATES.

To E. R. Chapman, New York City, greeting:

Pursuant to lawful authority, you are hereby commanded to appear forthwith before the special committee of the Senate of the United States, appointed under the resolution of the Senate of May 17, 1894, at the room of the Committee on Privileges and Elections, then and there to testify what you may know relative to the subject-matters under consideration by said committee.

Hereof fail not, as you will answer your default under the pains and penalties in such cases made and provided.

To Richard J. Bright, Sergeant-at-Arms of the Senate of the United States, to serve and return.

Given under my hand, by order of the committee, this 6 day of June, in the year of our Lord one thousand eight hundred and ninety-four.

GEO. GRAY,
Chairman Special Committee.

SENATE OF THE UNITED STATES,
Office of the Sergeant-at-Arms.

I do appoint and hereby empower B. W. Layton to serve this subpœna, and to exercise all the authority in relation thereto with which I am vested by the within order.

R. J. BRIGHT,
Sergeant-at-Arms of the Senate of the United States.

WASHINGTON, D. C., *June 7, 1894.*

I made service of the within subpœna through my deputy, B. W. Layton, on the within-named E. R. Chapman, No. 80 Broadway, at New York City, at 10 o'clock a. m., on the 7th day of June, 1894.

R. J. BRIGHT,
Sergeant-at-Arms of the Senate of the United States.

Your committee further report that during said examination the said witness, Elverton R. Chapman, refused and declined to answer sundry other pertinent questions, duly and properly put to him, as manifestly appears from a full copy of all of his testimony taken before said committee and of all proceedings had in connection therewith, which copy

is hereto annexed and is hereby made a part of this report, as fully as if it were incorporated therein. (Exhibit B.)

In the opinion of the committee each of the questions put to said witness was a proper question and pertinent to the question under inquiry before the committee, and was necessary to make the examination ordered by said resolution of the Senate, and that said witness is in contempt of the Senate and merits to be dealt with for his misconduct; and that said witness, by his various refusals to answer the questions as herein set forth, has violated the provisions of that certain act of Congress in such cases made and provided, being chapter 7 of the Revised Statutes of the United States, which chapter is as follows:

SEC. 102, Rev. Stat. Every person who, having been summoned as a witness by the authority of either House of Congress to give testimony or to produce papers upon any matter under inquiry before either House or any committee of either House of Congress, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the question under inquiry, shall be deemed guilty of a misdemeanor, punishable by a fine of not more than one thousand dollars nor less than one hundred dollars, and imprisonment in a common jail for not less than one month nor more than twelve months.

SEC. 103. No witness is privileged to refuse to testify to any fact or to produce any paper respecting which he shall be examined by either House of Congress or by any committee of either House, upon the ground that his testimony to such fact or his production of such paper may tend to disgrace him or otherwise render him infamous.

SEC. 104. Whenever a witness summoned, as mentioned in section one hundred and two, fails to testify, and the facts are reported to either House, the President of the Senate or the Speaker of the House, as the case may be, shall certify the fact under the seal of the Senate or House to the district attorney for the District of Columbia, whose duty it shall be to bring the matter before the grand jury for their action.

Wherefore, the committee report to the Senate, and to the end that the President of the Senate certify as to said witness his aforesaid failure to testify and his aforesaid refusals to answer, and all the facts herein, under the seal of the Senate, to the U. S. district attorney for the District of Columbia, in order that said witness may be proceeded against in manner and form provided by law.

GEO. GRAY,
WILLIAM LINDSAY,
C. K. DAVIS,
HENRY CABOT LODGE,
WM. V. ALLEN,
Committee.

ADDITIONAL REPORT OF MR. ALLEN, OF THE COMMITTEE.

In addition to the above recommendation of the committee regarding the witness, E. R. Chapman, I think he ought to be brought to the bar of the Senate and required to purge himself of the contempt of which he is guilty, or be summarily punished for a refusal to do so. I therefore recommend the adoption of the following resolution by the Senate:

"Whereas, E. R. Chapman, a witness, was heretofore duly summoned by a select committee of the Senate, and being lawfully required to testify before said committee, has, as appears by the report of said committee, refused to answer pertinent and material questions propounded to him by said committee: Therefore,

"*Resolved*, That the President of the Senate issue his warrant in due form under his hand and the seal of the Senate, directed to the Ser-

geant-at-Arms of the Senate, commanding him forthwith to arrest and bring to the bar of the Senate the body of said E. R. Chapman, to show cause why he should not be punished for contempt, and in the meantime to keep the said Chapman in custody to await the further order of the Senate."

Respectfully submitted.

WM. V. ALLEN.

EXHIBIT B.

SWORN STATEMENT OF ELVERTON R. CHAPMAN.

Senator LODGE. Mr. Chapman, you live in New York?

Mr. CHAPMAN. I do so.

Senator LODGE. Your business?

Mr. CHAPMAN. I am a banker and broker.

Senator LODGE. What is your firm?

Mr. CHAPMAN. The firm of Moore & Schley.

The CHAIRMAN. Are you a member of the firm?

Mr. CHAPMAN. I am, sir.

Senator LODGE. In an article which appeared in the Philadelphia Press of May 14th, the following statement appears:

On the very day that Mr. Voorhees, the chairman of the Finance Committee, denied in the Senate that any amendments were proposed to the Senate's bill as originally reported by the Finance Committee, the list of some 400 amendments, as prepared by Senator Jones, was in the hands of one of the members of the brokerage firm of Moore & Schley. He had not arisen when it was placed in his hands. He was in bed, for it was early morning. He sat up in bed and read these amendments, conspicuous among them being the final determination regarding the sugar schedule. So that while the Senate, the House, and the country not only knew nothing of these amendments, but were assured by the chairman of the Finance Committee that there were none, Senator Brice's brokers had a copy of the amended bill and the privilege, which was denied even to the chairman of the Finance Committee, of reading them.

Do you know anything in regard to that statement?

Mr. CHAPMAN. I do not.

Senator LODGE. Were any such amendments given you before they appeared in public?

Mr. CHAPMAN. They were not.

Senator LODGE. Do you know of any member of your firm receiving them?

Mr. CHAPMAN. I do not.

Senator LODGE. Is there a member of your firm in Washington?

Mr. CHAPMAN. There is not, except myself.

Senator LODGE. I mean you have no house here, no branch house here.

Mr. CHAPMAN. We have a correspondent here, but no member of the firm is located in Washington.

Senator LODGE. That is what I mean. No partner of Moore & Schley lives in Washington. Is the statement that you are Senator Brice's brokers true?

Mr. CHAPMAN. We have at times done business for Senator Brice.

Senator LODGE. So far as you know, no member of your firm and no one in your employment had an advance copy of these amendments?

Mr. CHAPMAN. No, so far as I know.

Senator LODGE. Did you ever hear any suggestion that such was the case except in this newspaper paragraph?

Mr. CHAPMAN. I did not, and I might add that I do not believe it to be true.

Senator DAVIS. Do you know any fact out of which that story could have grown?

Mr. CHAPMAN. I do not.

Senator LODGE. The writer of that story was Mr. Edwards. He has been before the committee. I will quote from his testimony:

The CHAIRMAN. You say:

"Here we know that the brokers with whom Senator Brice has been accustomed to commit his speculative interests have been very large purchasers of sugar, and we know also that these brokers had inside information as to the action of the Senate upon the sugar schedule."

You say you know. How do you know?

Mr EDWARDS. Everybody knew that Moore & Schley, of New York, the brokers with whom Senator Brice has, by common report and common understanding, dealt in all his business, were the largest operators in sugar.

The CHAIRMAN. Do you know that yourself?

Mr. EDWARDS. I do not know it legally.

The CHAIRMAN. You know it by public report?

Mr. EDWARDS. As a matter of public understanding on the stock exchange.

The CHAIRMAN. And no other way?

Mr. EDWARDS. No other way.

Is that statement correct, that you have been very large purchasers of sugar, or had very large dealings in sugar stock during the last six months?

Mr. CHAPMAN. I desire to say to the committee that I responded promptly to the subpœna served upon me yesterday and have had no opportunity of consulting counsel in regard to my testimony before this committee, and before answering any questions relating to the business affairs of my firm I would ask the courtesy of the committee for a postponement of my examination upon those points until I can have opportunity to consult with counsel.

The CHAIRMAN. You wish to consult counsel with reference to obtaining a knowledge of what they think your rights may be in regard to answering the question.

Mr. CHAPMAN. Yes, sir. I desire to ascertain or take legal counsel upon the question of the right of this committee to inquire into the business of my firm.

Senator LINDSAY. So far as I am concerned I am willing to concede that you may not be bound to answer as to the general business of your firm in which the public have no interest, but I wish to know whether you also desire to have counsel as to whether or not you will answer questions that relate to the transactions of Senators in buying and selling sugar stocks during the time the tariff bill has been under consideration by the Senate.

Mr. CHAPMAN. I do.

Senator DAVIS. I think, Mr. Chairman, the request is a proper one.

Senator ALLEN. I do not know that I understand this witness thoroughly; therefore I will put him this question. Do you desire to confine your consultation with your counsel to the question whether you are compelled to disclose the names of Senators who may have speculated in sugar stocks pending this tariff bill through your firm as their brokers?

Mr. CHAPMAN. Yes. I would like to ascertain from counsel generally to what extent I should go in disclosing any of the business of my firm before this committee.

Senator ALLEN. And more especially with reference to disclosing transactions of Senators during the pendency of the tariff bill.

Mr. CHAPMAN. That, of course, would be embraced in the inquiry.

The CHAIRMAN (at the request of Senator Lodge). The resolution under which we are acting is as follows:

Resolved, That a committee of five Senators be appointed to investigate these charges (referring to certain charges in the newspapers) and inquire further whether any Senator has been or is speculating in what is known as sugar stocks during the consideration of the tariff bill now before the Senate.

Senator LODGE. Under that inquiry which has just been read, and in pursuit of it, I asked you, Mr. Chapman, whether the statement made in the newspaper that your firm had been very large purchasers of sugar stock during the pendency of the tariff bill was true, and I understand that you decline to answer that question until you have had opportunity to consult your counsel. You request to be allowed not to answer until you have had opportunity to consult your counsel. That is correct?

Mr. CHAPMAN. I stated that before answering any question relating to our business I would prefer to have opportunity to consult counsel, and that request is a general one as to all questions. I do not know that there would be any objection on my part to answering the question that you have just propounded, alone. Assuming that that was to be followed by other questions that would relate to the operations of our house, I desired, at the outset, to make that request. I did not know what the scope of the inquiry would be and had no opportunity to consult counsel in regard to it.

Senator LODGE. Precisely. The chairman has read the resolution and stated to you the scope of the inquiry. My only purpose in referring to it was to bring us, if possible, to the precise point on which you desired to consult counsel; whether you desired to consult counsel before answering any question, or whether you desired to consult counsel before answering this particular question.

Mr. CHAPMAN. Before answering any questions relating to our business affairs. I have already answered the questions relating to the allegation that we had advance information of the tariff schedule. As you are now going into another branch of the inquiry I would like, before answering any question in regard to it, to consult counsel.

The CHAIRMAN. You wish to consult counsel before answering any question as to your private business.

Mr. CHAPMAN. Yes, sir.

The CHAIRMAN. Just before the meeting of the committee after the recess for lunch the following letter was handed me by Senator Brice, which I will read:

SENATE CHAMBER,
Washington, D. C., June 8, 1894.

Hon. GEORGE GRAY,
Chairman, U. S. Senate Committee of Investigation:

SIR: It is stated in the newspapers that brokers and other witnesses as to transactions of Senators in industrial stocks or securities, sugar and others, have been summoned by your committee. In case any of them claim any privilege, this is to say to them severally, that they are authorized and requested to answer as to any transactions of or for me or any of my family, secretaries, clerks, agents, or employés, as to any transactions in sugar or other industrial stocks since March 4, 1891, when I entered the Senate.

During that period I have not been interested, directly or indirectly, alone or with others, either for investment or speculation, or in the results of either, in any sugar or other industrial stock or security or property; and in case any allegation is made by any one as to me, all accounts of mine, or with which I am in any way connected, ncluding my private accounts in my own charge and in those of my clerks, viz, G.

E. Gilliland, Washington; Saml. C. Shortridge and W E. Findlay, 80 Broadway, New York, and Chas. M. Hughes, Lima, Ohio, and the accounts of my brokers in New York, Messrs. Work, Strong & Co., Moore & Schley, and Latham, Alexander & Co., and of any other broker or brokers, are open to you or to any one authorized by you to examine them, and I hereby request and require each of them to answer fully.

Respectfully,

CALVIN S. BRICE.

Now, after hearing that letter which has been addressed to the committee through its chairman, do you, so far as Mr. Brice is concerned, wish still to consult your counsel before answering?

Mr. CHAPMAN. I do not understand that I have yet been asked any question concerning Senator Brice.

The CHAIRMAN. Well, I will ask you, then, so far as he is concerned, whether during the pendency of the present tariff bill Senator Brice has, through your firm, or to your knowledge, speculated in what are known as sugar stocks?

Mr. CHAPMAN. As I am going to consult my counsel I would prefer to answer no question relating to my business until I have done so.

Senator LODGE. I understood, Mr. Chapman, that you made no objection to answering those questions I asked you in regard to the amendments. I remember I asked in the beginning about the amendments which were said to have been furnished to your firm—a copy of the amendments. You made no objection to answering.

Mr. CHAPMAN. I answered those to the best of my ability.

Senator LODGE. Let me ask a little more fully on that point. Did you or any of your firm have any advance knowledge of any sort in regard to those amendments?

Mr. CHAPMAN. That is a difficult question to answer. We were constantly in receipt of information from Washington as to the progress of the bill and the probabilities one way or another of its final passage and of perhaps some items of the bill.

Senator LODGE. Did you have any advance knowledge as to the present sugar schedule, that it would be 40 per cent ad valorem and an eigth and a tenth differential?

Mr. CHAPMAN. No knowledge, so far as I know.

Senator LODGE. Did you have information that that was to be the schedule?

Mr. CHAPMAN. I could not answer that question. We had advices of all sorts and descriptions constantly coming over, and probably all or most of them were pure guesses with the view of speculation as to what the probable outcome of the negotiation would be.

Senator LODGE. I did not refer to guesses or estimates which were sent out from Washington in large numbers, but did you, three or four days before these Jones amendments, as they are known, appeared in the Senate, have information that these amendments would contain a sugar schedule about 40 per cent ad valorem on all sugar?

Mr. CHAPMAN. Not to my knowledge.

Senator LODGE. You do not know that anyone in your firm had any such knowledge?

Mr. CHAPMAN. I do not think that any member of the firm had such knowledge.

Senator LODGE. Your firm had no such knowledge as would have led them to act upon it?

Mr. CHAPMAN. They did not. I wish to say that my request that the answer to the last question be deferred is made with the view of first having definitely settled the general principles upon which answers to questions shall be made.

The CHAIRMAN. You mean that with reference to the question in regard to Mr. Brice's transactions through your firm, after hearing the letter read, your declination was because you wished to know whether you ought to trench on the general principle that might be laid down in regard to your rights?

Mr. CHAPMAN. That is the idea exactly.

Senator DAVIS. What general principle? Do you advance any general principle now in reference to answering?

Mr. CHAPMAN. That is the question I propose to submit to counsel, as to whether I should answer any questions relating to our business. If I should answer one question I would perhaps be violating the principle that counsel would lay down for me.

WASHINGTON, D. C., *June 9, 1894.*

The committee met pursuant to adjournment.

Present: The chairman (Senator Gray), Senators Lodge, Davis, and Allen.

Mr. ELVERTON R. CHAPMAN appeared.

SWORN STATEMENT OF ELVERTON R. CHAPMAN—Continued.

The CHAIRMAN. Mr. Chapman, you were asked yesterday whether your firm is a large dealer in sugar stock, and you were told by Senator Davis that in connection with this question, which was to be considered as preliminary to inquiry of the witness into dealings he or his firm may have had in sugar stocks during the pendency of the present tariff bill in the Senate, in which dealings Senators were, or are, directly or indirectly interested. That was the question in regard to which you said yesterday that you would like before answering to consider. What do you say this morning in answer to that question already put, and I put it to you again?

Mr. CHAPMAN. With reference to the first part of the inquiry, as it is matter of public notoriety among our associate members of the New York Stock Exchange, I state that we have handled large quantities of stock of the American Sugar Refining Company during the pendency of this bill.

Senator LODGE. You have bought and sold?

Mr. CHAPMAN. Bought and sold. Perhaps is better bought and sold than handled.

The CHAIRMAN. Were any of those transactions in sugar stock or certificates, so called, transactions in which any Senators of the United States were interested, either directly or indirectly, during the pendency of the present tariff bill, or the consideration of the present tariff bill?

Mr. CHAPMAN. With all due respect to this honorable committee, I decline to answer that question or any question relating to the business of the firm of Moore & Schley, of which I am a partner.

The CHAIRMAN. Have you finished your answer?

Mr. CHAPMAN. I have.

The CHAIRMAN. You have? Do you decline to answer that question on the ground that its answer may tend in any way to criminate yourself or expose you to a criminal prosecution of any kind whatever?

Mr. CHAPMAN. I decline to answer that question for the reason that

we are brokers, and as such are engaged in the business of buying, selling, and carrying stocks, bonds, and other securities dealt in on the New York Stock Exchange for the account of our customers, who are the principals. In transactions we are simply their agents, and as such have neither a moral nor a legal right to divulge the details of business with which we are intrusted. Our relations with our clients are those of the closest confidence, and should we violate this confidence, even at the demand of this honorable committee, we should justly forfeit the respect of those upon whom we must depend for our business.

The CHAIRMAN. You have given a reason for declining to answer the question before the last. My last question was whether you decline to answer for the reason that an answer might expose you to criminal prosecution or tend to expose you to such in any way.

Mr. CHAPMAN. I do not.

The CHAIRMAN. You do not for that reason.

Senator LODGE. You decline to answer for the reason that you have just stated?

The CHAIRMAN. And not for the reason that I have just asked?

Mr. CHAPMAN. That is correct.

Senator DAVIS. You have been summoned to appear before this committee as a witness, have you not?

Mr. CHAPMAN. Yes.

Senator DAVIS. And you appear pursuant to that summons?

Mr. CHAPMAN. I do, sir.

Senator DAVIS. Mr. Chapman, you are asked whether the firm of Moore & Schley have bought or sold what are known as sugar stocks during the month of February, 1894, and after the first day of that month, for or in the interest, direct or indirect, of any United States Senator.

Mr. CHAPMAN. I decline to answer that question.

Senator DAVIS. Has the firm of Moore & Schley during the month of March, 1894, bought or sold any stocks or securities known as sugar stocks for or in the interest, direct or indirect, of any United States Senator?

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Has the firm of Moore & Schley during the month of April, 1894, bought or sold any stocks or securities known as sugar stocks for or in the interest, direct or indirect, of any United States Senator?

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Has the firm of Moore & Schley, during the month of May, 1894, bought or sold any stocks or securities known as sugar stock for or in the interest, direct or indirect, of any United States Senator?

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Has the firm of Moore & Schley, during the month of June, 1894, bought or sold any stocks or securities known as sugar stock for or in the interest, direct or indirect, of any United States Senator?

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Is the firm of Moore & Schley at present carrying any sugar stock for the benefit of or in the interest, direct or indirect, of any United States Senator?

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Mr. Chapman, has your attention been called to, and

have you considered, sections 102, 103, and 104 of the Revised Statutes of the United States upon the subject of refusal of a witness to answer a question pertinent to the inquiry when addressed to him by a committee duly authorized to investigate?

Mr. CHAPMAN. In a general way, yes.

Senator DAVIS. You have read the statute?

Mr. CHAPMAN. I have not read it.

Senator DAVIS. I show you the sections to which I refer. Just cast your eye over them.

Mr. CHAPMAN (after reading). I have now read the statute.

Senator DAVIS. After reading that statute, do you still persist in your refusal to answer the several questions which have been addressed to you?

Mr. CHAPMAN. I do.

Senator DAVIS. Is there anything further that you wish to add?

Mr. CHAPMAN. At the session of the committee yesterday, a letter was read from Senator Brice that has caused me some embarrassment. It was a surprise, as I had no intimation that such a letter would be sent to the committee. I will so far depart from the decision I have just announced as to testify that since the Hon. Calvin S. Brice became a member of the Senate of the United States he has not bought nor sold through our house, directly or indirectly, a share of stock of the American Sugar Refining Company or a share of stock of any industrial company dealt in on the New York Stock Exchange. I mean also to include any industrial stock listed on the New York Stock Exchange.

The CHAIRMAN. Do you mean, in your answer, to say that he has bought or sold during the period mentioned no stock known as sugar stock?

Mr. CHAPMAN. I do. And, further, I desire to state that we have not bought or sold a share of such stock for any clerk, agent, or employé, or other person connected in any way with the affairs of Senator Brice, or in the name of any member of his family. But I submit this evidence only on the direct, written request contained in Senator Brice's letter, which has been read in my presence, and I hereby serve notice on the committee that whether requested to do so or not by any person, whether a customer of our firm or not, or whether a Senator of the United States or not, I shall decline to answer any question that may be asked by the committee as to the principal in any transaction made by our firm in the stock of the American Sugar Refining Company or any other stock.

Senator DAVIS. Was the notice which you have just now served upon the committee prepared by your counsel?

Mr. CHAPMAN. No, sir; it was written by myself. Prepared by myself.

Senator DAVIS. Are we to understand, Mr. Chapman, that this committee is dependent for its testimony from you upon permission given by any Senator whose conduct in regard to speculating in sugar stocks we may be investigating?

The CHAIRMAN. Mr. Chapman has just said, as I understand him, that he refuses independently of any permission and contrary to any permission.

Mr. CHAPMAN. On the contrary, I have just stated that even with such consent I should decline to answer any questions tending to divulge the principal in any transaction we may have made in any stock.

Senator DAVIS. On the contrary, Mr. Chapman, you have just now negatived that purpose by complying with Mr. Brice's request, and I want to know whether you are pleading now here the privilege of your firm or the privilege of a Senator in the refusal which you announce your purpose to persist in?

Mr. CHAPMAN. The privilege of my firm.

The CHAIRMAN. Mr. Chapman, upon what ground do you refuse, and, as you say, you will refuse, to disclose the transaction of a principal who authorizes and directs you to disclose anything concerning himself to this committee?

Mr. CHAPMAN. Upon the ground that we deny the right of this committee to investigate the relations that exist between our firm and our clients, or to inquire respecting transactions we may have had for and on account of our clients.

Senator ALLEN. Mr. Chapman, the Senate, by the resolution under which we are acting, directed us to inquire and report whether any Senator has been or is speculating in what are known as sugar stocks during the consideration of the tariff bill now before the Senate, which is what is known commonly as the Wilson tariff bill, which passed the House of Representatives on the 1st day of February, 1894, and from that time has been in the Senate and is still pending in the Senate and under discussion. I understand you to say that you do not base your refusal to answer any of these questions upon your privilege as an individual to be protected in disclosing anything which would criminate you or expose you to public ignominy. You base your refusal altogether upon the supposition that your firm, as a private firm, has a right to secrete the names of its clientage—those who deal with it. Is that correct?

Mr. CHAPMAN. I do.

Senator ALLEN. You base your refusal to answer these questions solely upon that idea, or solely upon that assumed fact?

Mr. CHAPMAN. Upon that fact, coupled with the fact that should we disclose our principals we would lose the confidence of our clients.

Senator ALLEN. Your refusal is in no manner based upon the supposition that it would criminate you or expose you to public ignominy to answer these questions?

Mr. CHAPMAN. It is not.

Senator ALLEN. I desire to read to you sections 102, 103, and 104 of the Revised Statutes, to go into the record:

SEC. 102. Every person who, having been summoned as a witness by the authority of either House of Congress to give testimony or to produce papers upon any matter under inquiry before either House or any committee of either House of Congress, wilfully makes default, or who, having apppeared, refuses to answer any question pertinent to the question under inquiry, shall be deemed guilty of a misdemeanor, punishable by a fine of not more than one thousand dollars nor less than one hundred dollars, and imprisonment in a common jail for not less than one month nor more than twelve months.

SEC. 103. No witness is privileged to refuse to testify to any fact or to produce any paper respecting which he shall be examined by either House of Congress, or by any committee of either House, upon the ground that his testimony to such fact or his production of such paper may tend to disgrace him or otherwise render him infamous.

SEC. 104. Whenever a witness summoned, as mentioned in section one hundred and two, fails to testify, and the facts are reported to either House, the President of the Senate or the Speaker of the House, as the case may be, shall certify the fact under the seal of the Senate or House to the district attorney for the District of Columbia, whose duty it shall be to bring the matter before the grand jury for their action.

I desire to supplement the reading of these sections of the statute by the statement to you that the Senate has full power, where a witness

refuses to answer a question that is pertinent to the subject under consideration by the committee, to bring you to the bar of the Senate and require you to answer or to inflict imprisonment upon you until you do answer, for contempt of its right to inquire. Now, in view of the law which I have read and the statement which I have made to you do you still persist in your refusal to answer any of these questions?

Mr. CHAPMAN. I do.

Senator ALLEN. Your firm keeps a set of books, does it not?

Mr. CHAPMAN. It does.

Senator ALLEN. In which the names of customers on whose account you transact business are to be found?

Mr. CHAPMAN. Yes, sir.

Senator ALLEN. You keep a regular statement of their accounts, their investments, their sales, and your commissions, etc.?

Mr. CHAPMAN. Yes, sir.

Senator ALLEN. Do you know the name of any United States Senator, any man who is now a United States Senator, appearing upon your books since the 1st day of February, 1894, to this date?

Mr. CHAPMAN. I decline to answer that question.

Senator ALLEN. You decline to answer that. You decline to answer it because the name does appear there, or because it does not appear?

Mr. CHAPMAN. I decline to answer it for the reason stated in the answer to a previous question.

Senator ALLEN. Let me supplement that by asking you if you decline to state whether the name of any United States Senator appears upon your books as a dealer in sugar stocks, so called, described in the resolution which you have read, and which has been read in your presence, since the 1st day of February, 1894, to the present date, in consequence of there being such names upon your book as such dealers in that kind of stock, or in consequence of there not being any names of Senators there?

Mr. CHAPMAN. I decline to answer any question tending to show to this committee whether there are or are not the names of any Senators of the United States upon our books dealing in the stocks referred to.

Senator ALLEN. Mr. Chapman, if no United States Senator had dealt in stocks through your firm; that is, sugar stocks, referred to in the resolutions, during the period I have mentioned, from the 1st of February, 1894, to the present time, you would not hesitate to say so, would you? You would not have to say that "No gentleman has dealt in stocks through us," but that "No Senator has dealt in these stocks through us." You would not hesitate to say so, would you?

Mr. CHAPMAN. I should hesitate and decline to state.

Senator ALLEN. That would not disclose any person who had dealt with your firm, but only show that these persons had not dealt through your firm in those stocks; and if no United States Senator has dealt through your firm in these sugar stocks during that period, you would not hesitate to say so, would you?

Mr. CHAPMAN. In pursuance of the general policy outlined in the answer to a previous question, I should decline to answer any question relating in any way to the business of our firm.

Senator ALLEN. But you say, Mr. Chapman, that you put your refusal to answer upon the ground that you think this committee has no power to inquire into the private affairs of your firm. That is correct, is it not?

Mr. CHAPMAN. That is one of the grounds; yes, sir.

Senator ALLEN. Now, then, if your firm has had no transactions

with any Senator of the United States, has not been engaged as his broker in buying or selling these sugar stocks for him, that would not disclose any business of your firm, would it, by saying so?

Mr. CHAPMAN. It would be admitting the right of the committee to ask any question relating to our business.

Senator ALLEN. You deny the right of the committee to ask any question that in any manner relates to your business, as I understand you?

Mr. CHAPMAN. I do.

Senator ALLEN. Now, do you deny the right of the committee to ask you a question which does not relate to the business of your firm?

Mr. CHAPMAN. That would depend upon the scope of the question.

Senator ALLEN. If no U. S. Senator had dealt in these sugar stocks referred to in the resolution, Mr. Chapman, during the period I have mentioned through your firm, you would not hesitate to say they had not, would you?

Mr. CHAPMAN. I should.

Senator ALLEN. Would you hesitate to say they had not?

Mr. CHAPMAN. I should.

Senator ALLEN. You would want the impression conveyed to the public mind by your refusal to testify that they had dealt in sugar stocks through your firm during that time?

Mr. CHAPMAN. Not necessarily.

Senator ALLEN. You understand, do you not, Mr. Chapman, that any declination to answer questions conveys to the mind of the committee that Senators have dealt in sugar stocks through your firm, and that you are attempting to secrete matters and shield them in the transactions? Do you understand that to be a proper deduction from your refusal to answer?

Mr. CHAPMAN. I do not know that I can testify as to the impression my testimony leaves upon the minds of the committee.

Senator ALLEN. If no United States Senator has dealt in these sugar stocks referred to in the resolution, during the period that I have mentioned in previous questions, why should you refuse to say that they have not so dealt?

Mr. CHAPMAN. Upon the general principle that we deny the right of this committee to inquire into our business.

Senator ALLEN. You deny the right of the committee to inquire as to your business, and you deny the right of the committee to inquire into things that you do not transact, as well?

Mr. CHAPMAN. I deny the right of the committee to require an answer to any question which shall have reference to business we have done or business we have not done.

Senator ALLEN. So that you deny the right of the committee to inquire into anything which may concern your firm, affirmatively or negatively?

Mr. CHAPMAN. That is it, exactly.

Senator ALLEN. If in a court of justice under examination, you would not attempt to make that denial, would you?

Mr. CHAPMAN. That would depend very largely upon the circumstances of the case.

Senator ALLEN. Mr. Chapman, Hon. Nelson W. Aldrich is a United States Senator from the State of Rhode Island, now engaged in discharging his duties as a member of the Senate, and has been since the 1st of February, 1894. You may state if he has purchased or sold any sugar stock, such as are mentioned in this resolution, through your

firm during the period I have mentioned. I speak of the period from the 1st day of February, 1894, to the present moment, during all which time the tariff bill has been under discussion in the Senate.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. You decline to answer. William V. Allen is a United States Senator from the State of Nebraska, and has been during this period. You may state if during that time he bought or sold or had been concerned in buying or selling sugar stocks through your firm.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. I want to state to you, in connection with this question, Mr. Chapman, that I am the William V. Allen whose name is embraced in the preceding question, and I give you full liberty, and make personal request of you, to testify before this committee if I have had any business transactions with your firm, or through your firm, in the purchase or sale of sugar stocks or any other stocks during that period. I hope you will waive your privilege, as you look at it, to that extent.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. You decline to answer that. The Hon. William B. Allison is a United States Senator from the State of Iowa, and has been during the period I have mentioned. State whether he has been concerned in buying or selling any sugar stocks during the period I have mentioned. I am going to take you through the list of these names, and you may answer as rapidly as I can proceed with them.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. I put to you the same question in reference to Hon. William B. Bate, a United States Senator from the State of Tennessee.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. I put to you the same question with reference to Hon. James H. Berry, a United States Senator from the State of Arkansas.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Joseph C. S. Blackburn, a United States Senator from the State of Kentucky.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Hon. Calvin S. Brice, a Senator from the State of Ohio, you have testified about. Hon. Matthew C. Butler is a United States Senator from the State of South Carolina. I ask you the same question with reference to him.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also the same question with reference to Hon. Donelson Caffery, a United States Senator from the State of Louisiana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Wilkinson Call, a United States Senator from the State of Florida.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Johnson N. Camden, a United States Senator from the State of West Virginia.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James Donald Cameron, a United States Senator from the State of Pennsylvania.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Joseph M. Carey, a United States Senator from the State of Wyoming.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William E. Chandler, a United States Senator from the State of New Hampshire.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Francis M. Cockrell, a United States Senator from the State of Missouri.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Richard Coke, a United States Senator from the State of Texas.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Shelby M. Cullom, a United States Senator from the State of Illinois.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John W. Daniel, a United States Senator from the State of Virginia.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also the Hon. Cushman K. Davis, a United States Senator from the State of Minnesota. He is a member of the committee, and may speak for himself.

Senator DAVIS. Mr. Chapman, I request and insist that you answer that question.

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Do you wish to put me in the position of appearing to have speculated in sugar stocks through your firm?

Mr. CHAPMAN. I do not; I simply decline upon general principles.

Senator ALLEN. Also the Hon. Nathan F. Dixon, a United States Senator from the State of Rhode Island.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Joseph N. Dolph, a United States Senator from the State of Oregon.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Fred T. Dubois, a United States Senator from the State of Idaho.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Charles J. Faulkner, a United States Senator from the State of West Virginia.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William P. Frye, a United States Senator from the State of Maine.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Jacob H. Gallinger, a United States Senator from the State of New Hampshire.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James Z. George, a United States Senator from the State of Mississippi.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Charles H. Gibson, a United States Senator from the State of Maryland.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John B. Gordon, a United States Senator from the State of Georgia.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Arthur P. Gorman, a United States Senator from the State of Maryland.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. George Gray, United States Senator from the State of Delaware.

Mr. CHAPMAN. I decline to answer.

The CHAIRMAN. I make the same request that Senator Davis did, and ask and insist that you answer the question so far as I am concerned.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Eugene Hale, United States Senator from the State of Maine.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also the Hon. Henry C. Hansbrough, United States Senator from the State of North Dakota.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Isham G. Harris, a United States Senator from the State of Tennessee.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Joseph R. Hawley, a United States Senator from the State of Connecticut.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Anthony Higgins, a United States Senator from the State of Delaware.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. David B. Hill, a United States Senator from the State of New York.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. George F. Hoar, a United States Senator from the State of Massachusetts.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Eppa Hunton, a United States Senator from the State of Virginia.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. J. L. M. Irby, a United States Senator from the State of South Carolina.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James K. Jones, a United States Senator from the State of Arkansas.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John P. Jones, a United States Senator from the State of Nevada.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James H. Kyle, a United States Senator from the State of South Dakota.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William Lindsay, a United States Senator from the State of Kentucky, who is also a member of this committee, and who, I am well satisfied, would desire you to make any statement concerning him if he were present. He is detained from the committee by sickness.

Mr. CHAPMAN. I also decline to answer as to him.

Senator ALLEN. Also Hon. Henry Cabot Lodge, a United States Senator from the State of Massachusetts, a member of the committee.

Senator LODGE. I request and insist, Mr. Chapman, as Mr. Gray and Mr. Davis have done, that you reply whether, directly or indirectly, I have dealt through your firm in the purchase or sale of any kind of stocks?

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. You may assume that that request is made and urged upon you, Mr. Chapman, by every member of the committee,

collectively and individually. Also Hon. James McMillan, a United States Senator from the State of Michigan.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John R. McPherson, a United States Senator from the State of New Jersey.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Charles F. Manderson, a United States Senator from the State of Nebraska.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John Martin, a United States Senator from the State of Kansas.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Roger Q. Mills, a United States Senator from the State of Texas.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John L. Mitchell, a United States Senator from the State of Wisconsin.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John H. Mitchell, a United States Senator from the State of Oregon.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John T. Morgan, a United States Senator from the State of Alabama.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Justin S. Morrill, a United States Senator from the State of Vermont.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Edward Murphy, jr., a United States Senator from the State of New York.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John M. Palmer, a United States Senator from the State of Illinois.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Samuel Pasco, a United States Senator from the State of Florida.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Wm. A. Peffer, a United States Senator from the State of Kansas.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. George C. Perkins, a United States Senator from the State of California.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. R. F. Pettigrew, a United States Senator from the State of South Dakota.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Orville H. Platt, a United States Senator from the State of Connecticut.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Thomas C. Power, a United States Senator from the State of Montana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Redfield Proctor, a United States Senator from the State of Vermont.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James L. Pugh, a United States Senator from the State of Alabama.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Matthew S Quay, a United States Senator from the State of Pennsylvania.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Matt W. Ransom, a United States Senator from the State of North Carolina.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William N. Roach, a United States Senator from the State of North Dakota.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. John Sherman, a United States Senator from the State of Ohio.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. George L. Shoup, a United States Senator from the State of Idaho.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James Smith, jr., a United States Senator from the State of New Jersey.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Watson C. Squire, a United States Senator from the State of Washington.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William M. Stewart, a United States Senator from the State of Nevada.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Henry M. Teller, a United States Senator from the State of Colorado.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. David Turpie, a United States Senator from the State of Indiana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. George G. Vest, a United States Senator from the State of Missouri.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William F. Vilas, a United States Senator from the State of Wisconsin.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Daniel W. Voorhees, a United States Senator from the State of Indiana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. William D. Washburn, a United States Senator from the State of Minnesota.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Edward D. White, formerly United States Senator, of the State of Louisiana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also the Hon. Senator Jarvis, of the State of North Carolina.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Senator McLaurin, of the State of Mississippi.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Newton L. Blanchard, a United States Senator from the State of Louisiana.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Stephen M. White, a United States Senator from the State of California.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. James F. Wilson, a United States Senator from the State of Iowa.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Hon. Edward O. Wolcott, a United States Senator from the State of Colorado.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Also Senator Patton of the State of Michigan.

Mr. CHAPMAN. I decline to answer.

Senator DAVIS. Also Senator Stockbridge, of Michigan, recently deceased.

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Now, Mr. Chapman, I understand you to refuse to testify anything whatever concerning any dealings your firm may have had for or on account of any of the persons whose names we have mentioned?

Mr. CHAPMAN. I do.

Senator ALLEN. As dealers in what are known as sugar stocks, pending the present tariff bill, since February 1, 1894, to the present time?

Mr. CHAPMAN. I do.

The CHAIRMAN. And also as to whether any of the persons named have had any dealings or not?

Mr. CHAPMAN. I decline.

The CHAIRMAN. Mr. Chapman, you have declined, in regard to all of the Senators now members of the body, to answer the questions put to you as to whether they have had dealings or not with your firm in the so-called sugar stocks, with the exception of Senator Brice. Why did you make that exception?

Mr. CHAPMAN. Simply because Senator Brice had expressly requested in writing that I make it—that I testify as to whether any operations had been conducted by us for his account, and coupled with the denial on his part, in writing, that he had bought or sold any so-called sugar stock; and I have thought proper under the circumstances to corroboate his statement so far as my house isconcerned.

The CHAIRMAN. Why would you not think it proper to accede to the request made by Senator Davis which in substance was the same?

Senator DAVIS. And I add a positive denial of any dealings, directly or indirectly, at any time, in any form or manner, in any of the so-called sugar stocks, and again request and insist that you answer as to me.

The CHAIRMAN. Do you decline still to answer that question as to Senator Davis?

Senator DAVIS. I make the denial here as explicitly as Mr. Brice, and I am willing to take the stand upon it, and again request and insist that the witness answer that question as to me.

The CHAIRMAN. Now, Mr. Chapman, do you still decline to answer the question as to Senator Davis?

Mr. CHAPMAN. I would like a little time to think of that before deciding whether to concede to the Senator's request or not.

Senator ALLEN. I make the same urgent and strong request that Senator Davis has made, and I deny most positively that I ever saw you or knew of your existence until yesterday, and never knew of the existence of your firm until I was appointed a member of the committee, and have never yet in my life put my foot in the city of New York.

Senator LODGE. I desire to say that I deny absolutely having dealt with such sugar stocks through Moore & Schley, or through any other firm of brokers, and request and insist that the witness testify in that particular as to me; and I now ask the question.

The CHAIRMAN. I assume, in Senator Lindsay's absence, to make the same request for every member of the committee. I certainly would make the same statement that Senator Brice has made, and I make the same statement as applicable to myself, precisely, of denial of buying or selling anyone of the industrial stocks or any other stocks of any kind.

Senator ALLEN. Every member of this committee, Mr. Chapman, makes this request of you.

Mr. CHAPMAN. I request that I be given time to consider the matter before being asked to answer that question.

The CHAIRMAN. When Senator Brice was mentioned this morning, you spoke of being embarrassed.

Mr. CHAPMAN. Because of its being in violation of the general principles that I have laid down in answer to the question of the committee.

The CHAIRMAN. What induced you to violate that principle?

Mr. CHAPMAN. As I before stated, the request was here over the signature of the Senator and I felt as though the circumstances warranted my making that exception.

Senator ALLEN. Mr. Chapman, if each member of this committee had framed a request in writing, the same in substance as Senator Brice's, would you then have answered as to them?

Mr. CHAPMAN. I probably would, but I would like opportunity to consider the matter before definitely answering.

Senator LODGE. Is your objection to complying with our personal request just made to you that we did not put it in writing?

Mr. CHAPMAN. No, it is not.

Senator ALLEN. You give it the same force you do Senator Brice's, notwithstanding ours is verbal and his is in writing?

Mr. CHAPMAN. Yes, sir.

Senator ALLEN. Mr. Chapman, you may consider my name subscribed to Senator Brice's letter, and I now request and insist that you answer, as to me, the question you declined to answer.

Mr. CHAPMAN. I would beg the indulgence of the committee to consider the matter before answering.

Senator LODGE. What reason, if any, have you for making a distinction between our request and that of Senator Brice?

Mr. CHAPMAN. None, except that in the case of Senator Brice I have personally taken the responsibility of answering, without consultation with my partners, and before answering the question I would prefer to have that consultation.

The CHAIRMAN. Would you have answered the question in regard to Senator Brice, if you had thought you would be asked the same question in regard to every other Senator?

Mr. CHAPMAN. I don't think I would.

Senator DAVIS. Is not the reason of your refusal as to the members of the committee this, that if the same request were made to you by all the Senators, and you should accede to it and testify truthfully, by a process of exclusion you would reveal what Senators are upon your books as speculating in sugar stocks since the first of February, 1894?

Mr. CHAPMAN. I will have to decline to answer that question.

Senator ALLEN. Did you make a distinction between Senator Brice and the members of this committee who have made the same request of you, upon the idea that Senator Brice was known to be a speculator in stocks, to some extent, and members of the committee not?

Mr. CHAPMAN. No, I did not. Senator Brice has been charged in the public press with being a speculator in the stock of the American

Sugar Refining Company, and I am not aware that any member of this committee has been so charged.

Senator LODGE. You know that other United States Senators aside from Senator Brice have been charged with speculating in sugar stock, don't you?

Mr. CHAPMAN. In the public press, yes.

Senator LODGE. Yes; in the public press. And you may state who they are who have been charged in the public press, as you have seen, as dealers in those stocks during the pendency of the bill.

Mr. CHAPMAN. I do not know that I could name them.

Senator LODGE. You can name some of them, can not you, besides Senator Brice? I am speaking now about those who have been charged in the public press with dealing in sugar stock, dabbling in sugar stocks, whatever you call it, not confining it to your firm at all.

Mr. CHAPMAN. I hardly think I could testify upon that question, as I do not know that their names are specially impressed upon my mind.

Senator LODGE. Have you conversed with any United States Senator since you were dismissed yesterday and before you came back this morning?

Mr. CHAPMAN. I decline to answer that question.

Senator LODGE. Well, upon what ground do you decline to answer it?

Mr. CHAPMAN. Upon the general ground that the committee is not authorized to ask it.

Senator LODGE. Does that concern your business? You speak of the privilege of your business confidence.

Mr. CHAPMAN. It might or it might not.

Senator LODGE. Mr. Chapman, you decline to answer our question in regard to Senators and state very explicitly a plausible ground of refusal, that these were business confidences and that your firm felt that they could not properly disclose the names. You are now asked whether you have conversed with any Senator, outside of this committee, since you arrived in Washington and since your dismissal yesterday and before your return this morning. You decline to answer that. It certainly can not be on the ground that it would tend to criminate you, and you are now asked whether it is on the ground that you have previously alleged, that it would be a disclosure of your business transactions?

Mr. CHAPMAN. It is such a disclosure of my private affairs as, in my judgment, is not warranted by the scope of the inquiry of this committee.

Senator ALLEN. Mr. Chapman, was the conversation you had with any Senator since your dismissal here yesterday and your return this morning, with reference to anything pertaining to the business of your firm or in connection with your firm?

Mr. CHAPMAN. I have not stated that I have had any conversation.

Senator ALLEN. I will ask you if you did have any conversation with any United States Senator upon any subject since your dismissal yesterday as a witness and before your return here this morning?

Mr. CHAPMAN. I decline to answer that question.

Senator ALLEN. Upon what grounds do you decline to answer that question?

Mr. CHAPMAN. Upon the same ground as my declination to answer the previous one.

Senator ALLEN. Did you meet at a hotel or at any private room or place and engage in conversation with any United States Senator from the time you were dismissed yesterday until you returned as a witness this morning?

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Is it because you did meet some Senator that you decline?

Mr. CHAPMAN. I decline for the reason just stated.

Senator ALLEN. The reason just stated is that it would be disclosure of your business transactions—that whatever conversation you may have had during this period since yesterday would be disclosure of your private affairs which you think the committee has no right to inquire about?

Mr. CHAPMAN. That is it.

Senator LODGE. Did you consult counsel after leaving us, Mr. Chapman?

Mr. CHAPMAN. I did.

Senator LODGE. Who was that counsel?

Mr. CHAPMAN. Suppose I answer the question in this way: I consulted one of the leading members of the bar of the District of Columbia, but I do not know whether—I do not think without his consent, I ought at this time to name him in this examination.

Senator ALLEN. I will put you this question: Did you, after your dismissal yesterday as a witness here and before your return this morning, have any conversation with any United States Senator with reference to any business he might have transacted through your firm in speculating in what are known as sugar stocks during the consideration of the present pending tariff bill in the United States Senate?

Mr. CHAPMAN. I decline to answer that question.

Senator ALLEN. You decline to answer that. Did you meet, socially or in a business way, any United States Senator in this city during hat time?

Mr. CHAPMAN. I shall have to decline to answer.

Senator ALLEN. You decline to answer that. Since your dismissal yesterday, have you received instructions from your firm as to your conduct here as a witness as to what you shall disclose and what you shall not disclose?

Mr. CHAPMAN. I have received communications by wire from individual members of my firm.

Senator ALLEN. Did you have any communication any other way, in any other form, than by wire?

Mr. CHAPMAN. No; I did not.

Senator ALLEN. Have you in your possession now the messages that you received from your firm upon that subject?

Mr. CHAPMAN. I have.

Senator ALLEN. Will you produce them?

Mr. CHAPMAN. I decline.

Senator ALLEN. You decline to produce them: upon what ground do you decline?

Mr. CHAPMAN. Because they relate to the personal affairs of my firm and are not within the scope of the inquiry of this committee.

Senator ALLEN. Were they cipher messages or open messages written in full language?

Mr. CHAPMAN. Partly cypher and partly——

Senator ALLEN. Do these messages disclose the name of any United States Senator?

Mr. CHAPMAN. I decline to state.

Senator ALLEN. You decline to state upon the ground that it would reveal some Senator as a dealer in stocks through your firm?

Mr. CHAPMAN. Not at all. Upon the ground that it is an unwarranted inquiry into the private affairs of our firm.

Senator ALLEN. These messages, I understand you, Mr. Chapman, were in reference to your testimony here as a witness before this investigating committee, were they not?

Mr. CHAPMAN. Partially so.

Senator ALLEN. Have you any objection to producing and reading in the presence of the committee that portion of those messages referring to your conduct as a witness before this committee?

Mr. CHAPMAN. I have.

Senator ALLEN. Do these messages instruct you what you shall testify to and what you shall not disclose?

Mr. CHAPMAN. They relate to the general policy to be pursued in giving my testimony.

Senator ALLEN. Before this committee?

Mr. CHAPMAN. Yes. They outline the general policy I shall pursue.

Senator LODGE. Since you left this committee have you seen and talked with Mr. Macartney, or any member of the firm of Corson & Macartney, in this city?

Mr. CHAPMAN. I have.

Senator LODGE. They are your correspondents here, are they not? Did you consult with them in regard to this investigation?

Mr. CHAPMAN. I have had some general conversations with Mr. Macartney on this subject.

Senator LODGE. In regard to your business or private affairs?

Mr. CHAPMAN. Yes, sir.

Senator LODGE. You have now, Mr. Chapman, testified to the committee, without objection, that you met Mr. Macartney, a member of that firm, and talked with him in regard to the investigation and your private and business affairs. You still decline to say whether you talked with any Senator?

Mr. CHAPMAN. I do.

Senator LODGE. You have no objection, then, to stating that you met persons other than Senators, and you do not plead the privilege of your private affairs, but you object to testifying whether or not you met and talked with Senators.

Mr. CHAPMAN. My business headquarters when in Washington are at the office of Corson & Macartney, and the fact that I conversed with Mr. Macartney, our correspondent, I stated; but I do not feel called upon to testify as to other parties.

Senator LODGE. Why do you draw a distinction between conversation with Mr. Macartney about your private affairs and conversation with Senators?

Mr. CHAPMAN. I have not testified as to conversations, but only to the fact that I held a conversation with Mr. Macartney.

Senator LODGE. That is all I have asked you in regard to Senators. I had not asked what you said to Senators. I asked you whether you conversed with any Senators, the same question which I asked you in regard to Mr. Macartney.

Mr. CHAPMAN. I shall decline to answer that question, as before.

Senator LODGE. You decline to state why you are ready to testify that you met Mr. Macartney and why you decline to testify whether or not you met Senators?

Mr. CHAPMAN. I do.

Senator LODGE. On what grounds do you place your declination in the one case and your readiness to admit the conversation in the other?

Mr. CHAPMAN. On the ground before stated.

Senator LODGE. That is what?

Mr. CHAPMAN. The closeness of our relations with Mr. Macartney and the fact that it is well known that his office is my headquarters.

Senator LODGE. And that is your only reason for declining to answer when you are asked if you met any Senators?

Mr. CHAPMAN. I before stated why I declined to answer as to——

Senator LODGE. You said, if I remember, that you declined to answer in regard to meeting Senators because you considered that that concerned your private affairs. You since testified that you met Mr. Macartney and talked about private affairs and you make no objection to testifying to the fact of the conversation, not what was said. The point I desire to bring out is why you should be willing to testify to meeting a gentleman with whom you had entirely private conversation, in the one case, and refuse to testify about meeting or not meeting other gentlemen. Of course, if you can not give an answer to that, Mr. Chapman, so state.

Mr. CHAPMAN. I do not know that I can answer.

The CHAIRMAN. Mr. Chapman, you were asked awhile ago by Mr. Davis questions that were repeated by each member of the committee present, and I will ask you again as to Mr. Davis's several questions, which may be considered as repeated by every member of the committee as to himself, what your answer is to be, Mr. Davis's questions, in substance, being that he authorized, requested, and insisted that you should disclose whether he had any transactions in sugar stock through your firm during the period mentioned, or at any other time, and coupled with a statement similar to that of Mr. Brice that he had not, either directly or indirectly, bought or sold any such stock through your firm, or any other firm, or in any other way at any time, each of which statements was also made by each member of the committee for himself?

Senator DAVIS. And you are requested to answer this question as to each member of the committee separately.

Mr. CHAPMAN. Before answering that question I desire time to consider the matter.

The CHAIRMAN. How long do you want, Mr. Chapman?

Mr. CHAPMAN. I will appear before the committee on Monday morning.

The CHAIRMAN. That will not do, I do not think.

Senator DAVIS. I am disposed to insist upon an immediate answer to this question.

The CHAIRMAN. Do you make that motion?

Senator DAVIS. I do. I move that the witness be required to answer forthwith.

The CHAIRMAN. Is that the sense of the committee?

Senator ALLEN. That is my vote.

Senator LODGE. That is my vote.

The CHAIRMAN. It is the sense of the committee. The committee insists that that question shall be given to you; does not think that your request for time to consider is reasonable and would like to have an answer.

Mr. CHAPMAN. As before stated, I am but one of five partners constituting the firm of Moore & Schley, and I think, under all the circumstances, it is but reasonable that I should be given an opportunity to communicate with my partners before answering this question, and I ask the courtesy of the committee to that extent.

The CHAIRMAN. Is that your answer? Do you decline to answer the question otherwise than that? The committee has already passed upon

the matter of giving time for the purpose of consultation or consideration.

Mr. CHAPMAN. It is now 1:15. Business closes in New York on Saturdays at 12 o'clock. It would be impossible for me to communicate with my partners and receive a reply before Monday morning, as they are probably now all in the country and the office is probably closed. Under all these circumstances I still insist that my request is reasonable and I trust the committee will coincide with my view.

Senator ALLEN. You still decline to answer the question?

Mr CHAPMAN. I do.

Senator LODGE. I want to ask one other question on the line upon which I was asking before. When you had the conversation with Mr. Macartney, in regard to which you testified, were any Senators present?

Mr. CHAPMAN. That I decline to answer.

Senator ALLEN. Right there, Mr. Chapman; did you see any Senator go into or out of the office of Mr. Macartney yesterday or this morning?

Mr. CHAPMAN. I decline to answer that.

Senator ALLEN. Or see any there in conversation?

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. You decline to answer that. Did you have any conversation yourself with any Senator there?

Mr. CHAPMAN. I decline to answer.

Senator ALLEN. Let me ask if there has not been a systematic, organized attempt upon the part of yourself and upon the part of the members of your firm and others connected with or engaged in the same line of business to studiously suppress the names of all Senators who have been speculating in these sugar stocks during this time?

Mr. CHAPMAN. I am not aware of such organized attempt.

Senator ALLEN. Was not your conversation in the presence of a United States Senator yesterday and this morning also to that effect, and that you, under no circumstances, should disclose the name of any of the Senators?

Mr. CHAPMAN. I have not testified to any conversation with Mr. Macartney in the presence of a United States Senator.

Senator ALLEN. You decline to say that there was a United States Senator there. The committee therefore infers that there was a United States Senator there, and upon that supposition I am asking you to state if it were not determined among you at that time that you should under no circumstances disclose before the committee the name of any Senator who has dealt in these stocks through your firm during the period we have mentioned here?

Mr. CHAPMAN. I decline to state to the committee. I decline to rehearse to the committee any conversations I may have had with Mr. Macartney or other parties.

Senator ALLEN. Now, do not the dispatches and communications you have received from the members of your firm since you have been here impress upon you the necessity of studiously secreting the names of all United States Senators who may have dealt in these stocks through your firm? Is not that the central idea of the dispatches and communications you have received and the conversations that have been had with you?

Mr. CHAPMAN. I decline to reveal the contents of any dispatches I may have received.

Senator ALLEN. Did not this conversation you had with Mr. Macartney, of which you speak, since your dismissal as a witness yesterday,

relate to your testimony here and the necessity of your secreting the names of Senators who may have dealt with your firm either here or in New York?

Mr. CHAPMAN. I decline to state.

Senator ALLEN. You decline to state that. Was that subject under discussion between you and Mr. Macartney?

Mr. CHAPMAN. I decline to state.

Senator LODGE. Have you a private wire from that office over to your office in New York?

Mr. CHAPMAN. Yes.

Senator ALLEN. What is your part of the business of Moore & Schley? What part do you attend to when you are in New York engaged in business?

Mr. CHAPMAN. All parts.

Senator ALLEN. I do not know anything about the stock exchange. Do you attend meetings of the stock exchange?

Mr. CHAPMAN. I am a member of the stock exchange. I am not on the floor of the stock exchange continuously. One of our partners, Mr. William H. Duff, is also a member of the stock exchange. He is always upon the floor, or is generally upon the floor, and I am occasionally.

Senator ALLEN. You are, a part of the time?

Mr. CHAPMAN. Occasionally.

Senator ALLEN. The man who is on the floor of the stock exchange, what particular name do you give him? He is what—operator? or what is he named?

Mr. CHAPMAN. Well, he is the board-room member of the firm.

Senator ALLEN. The board-room member of the firm?

Mr. CHAPMAN. He is on the board all the time.

Senator ALLEN. You do that business part of the time and are at the meetings of the stock exchange frequently, are you not?

Mr. CHAPMAN. I am frequently on the floor.

Senator ALLEN. You know the members of the stock exchange, those who own seats there?

Mr. CHAPMAN. I know a great many of them.

Senator ALLEN. Do you know the name of any United States Senator who owns a seat on the stock exchange?

Mr. CHAPMAN. I do not recollect any; I do not know of any.

Senator ALLEN. You do not know of any. Have you in your possession at this moment any written communication from any United States Senator bearing upon the subject now under investigation, received to-day or yesterday, or at any time prior to that?

Mr. CHAPMAN. I have not, but I do not know but answering this question is a violation of the rule I have laid down.

Senator ALLEN. Have you received, since you have been in this city to testify before this committee, any written communication in any form, dispatch, letter, note, or memorandum, from any United States Senator, bearing in any manner upon this investigation or that has relation to it, or to what you shall testify when you are here?

Mr. CHAPMAN. I have not; but I deny your right to question me upon this subject.

Senator ALLEN. Have you destroyed any such communication, note, memorandum, letter, or dispatch?

Mr. CHAPMAN. I make the same answer as to the last question.

Senator ALLEN. Mr. Chapman, you say you have a private wire from Washington to New York at your office. Is there any person in

the employment of the United States Government at Washington who furnishes you information as to the probable passage or defeat of measures before Congress?

Mr. CHAPMAN. Not to my knowledge.

Senator ALLEN. Not to your knowledge. Are there any persons in the service of the United States Government now as officers, outside of United States Senators, who are engaged in dealing in these stocks through your firm?

Mr. CHAPMAN. I decline to answer that question.

Senator ALLEN. You decline to answer that. All right, sir. That is all.

53D CONGRESS, 2d Session. } SENATE. { REPORT No. 485.

APPENDIX D.

IN THE SENATE OF THE UNITED STATES.

JUNE 21, 1894.—Ordered to be printed.

Mr. DAVIS, from the Special Committee to Investigate Attempts at Bribery, etc., submitted the following

REPORT:

The special committee, under and in pursuance of a resolution of the Senate of May 17, A. D. 1894, as follows:

Whereas it has been stated in the Sun, a newspaper published in New York, that bribes have been offered to certain Senators to induce them to vote against the pending tariff bill; and

Whereas it has also been stated in a signed article in the Press, a newspaper published in Philadelphia, that the sugar schedule has been made up as it now stands in the proposed amendment in consideration of large sums of money paid for campaign purposes of the Democratic party: Therefore

Resolved, That a committee of five Senators be appointed to investigate these charges and to inquire further whether any contributions have been made by the sugar trust, or any person connected therewith, to any political party for campaign or election purposes or to secure or defeat legislation, and whether any Senator has been or is speculating in what are known as sugar stocks during the consideration of the tariff bill now before the Senate, and with power to send for persons and papers to administer oaths.

Resolved further, That said committee be authorized to investigate and report upon any charge or charges which may be filed before it alleging that the action of any Senator has been corruptly or improperly influenced in the consideration of said bill, or that any attempt has been made to so influence legislation.

have attended to their duties so far as they have been able, but in certain respects have been prevented by reason of the matters hereinafter stated, and ask leave to report in part as follows:

In pursuance of said resolution the said committee met in the Capitol on the 21st day of May, 1894, at 10 o'clock a. m., and, after the examination of certain matters embraced in the first paragraph of the said resolution, the committee proceeded to investigate further the matters submitted to them by the said resolution, and on the 12th day of June, A. D. 1894, the committee being duly assembled, one Henry O. Havemeyer, who had been duly subpœnaed and summoned as a witness to appear before said committee, then and there appeared and submitted to be examined as a witness. The witness was duly sworn by the chairman of said committee.

After certain testimony had been given by him his examination was, at his request, continued until the 13th day of June, A. D. 1894, at which date he appeared, and the testimony of the said Henry O. Havemeyer having been resumed, further proceedings were had before the committee, and the following testimony was taken, in the course of which he was asked certain questions, to which questions he made the following answers and refusals to answer:

Senator ALLEN. Had you or the sugar-refining company contributed any to the campaign fund in New York last year?

Mr. HAVEMEYER. The Democratic campaign fund?

Senator ALLEN. Yes.

Mr. HAVEMEYER. Do you mean the national campaign fund?

Senator ALLEN. The Democratic State campaign fund of last year?

Mr. HAVEMEYER. I will have to answer that in the affirmative.

Senator ALLEN. Relatively, to what amount?

Mr. HAVEMEYER. To a moderate amount.

Senator ALLEN. Have you any objection to stating what it was?

Mr. HAVEMEYER. I will have to look that up. I have not charged my mind with it.

Senator ALLEN. Did you also contribute something to the Republican campaign fund?

Mr. HAVEMEYER. I will have to look that up.

Senator ALLEN. What is your recollection as to the fact?

Mr. HAVEMEYER. The local fund?

Senator ALLEN. Yes; the State fund. That is, for the State campaign.

Mr. HAVEMEYER. We always do that. I have not the amount in my mind.

Senator ALLEN. So you contributed as a matter of fact to both parties?

Mr. HAVEMEYER. I will not say I contributed to the Republican party without refreshing my memory.

Senator ALLEN. Is it to your best recollection that you did contribute to both the Republican and Democratic campaign funds in New York?

Mr. HAVEMEYER. I do not think we did contribute to the Republican.

Senator ALLEN. In 1892 did you contribute to either party?

Mr. HAVEMEYER. The local parties?

Senator ALLEN. The national parties?

Mr. HAVEMEYER. No, sir; but always to the local parties. Let that be distinct.

Senator ALLEN. You contributed to the local party, that is, the State party, in 1892?

Mr. HAVEMEYER. I would have to refresh my memory on that. I do not think we did.

Senator ALLEN. Did you contribute to either party or both parties in the State of New York in the election of 1892?

Mr. HAVEMEYER. I do not think we did.

Senator ALLEN. You do not think you did?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. Have you a distinct recollection that you did not?

Mr. HAVEMEYER. My recollection of it is that we made no contributions during the year 1892.

Senator ALLEN. Did any member of the American Sugar Refining Company contribute to the campaign in New York in 1892?

Mr. HAVEMEYER. Not that I am aware of.

Senator ALLEN. Did you contribute individually?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. To neither party?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. And you know of no one who did contribute?

Mr. HAVEMEYER. No, sir. Contributions to local political organizations have always been made by corporations, before the trust and by the trust and the American Sugar Refining Company, and no doubt will continue to be. It is a very suitable and proper thing to do.

Senator ALLEN. You say it is a suitable and proper thing to do?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. Why should the American Sugar Refining Company contribute to either of the political parties in the State of New York?

Mr. HAVEMEYER. We have large interests in this State; police protection and fire protection. They need everything that the city furnishes and gives, and they have to support these things. Every individual and corporation and firm, trust, or whatever you call it, do these things, and we do them.

Senator ALLEN. And you contribute to both parties with the expectation of whichever party succeeds your interests will be guarded?

Mr. HAVEMEYER. We have a good deal of protection for our contribution.

Senator ALLEN. You expect protection from whichever party succeeds?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. Do you expect that simply from the Democratic party?

Mr. HAVEMEYER. We expect protection from the police and fire department and anything that the State local organization can give.

Senator ALLEN. Therefore you feel at liberty to contribute to both parties?

Mr. HAVEMEYER. It depends. In the State of New York, where the Democratic majority is between 40,000 and 50,000, we throw it their way. In the State of Massachusetts, where the Republican party is doubtful, they probably have the call.

Senator ALLEN. In the State of Massachusetts do you contribute anything?

Mr. HAVEMEYER. Very likely.

Senator ALLEN. What is your best recollection as to contributions made by your company in the State of Massachusetts?

Mr. HAVEMEYER. I could not name the amount.

Senator ALLEN. However, in the State of New York you contribute to the Democratic party, and in the Commonwealth of Massachusetts you contribute to the Republican party?

Mr. HAVEMEYER. It is my impression that wherever there is a dominant party, wherever the majority is very large, that is the party that gets the contribution, because that is the party which controls the local matters.

Senator ALLEN. Then, the sugar trust is a Democrat in a Democratic State, and a Republican in a Republican State?

Mr. HAVEMEYER. As far as local matters are concerned, I think that is about it.

Senator ALLEN. In the State of Maine you control the refinery at Portland, do you not?

Mr. HAVEMEYER. That is defunct. We would not give anything to the State of Maine.

Senator ALLEN. In the State of Pennsylvania where do your contributions go?

Mr. HAVEMEYER. I will have to look that up.

Senator ALLEN. Pennsylvania is a Republican State and your contributions probably go to the Republican party, do they not?

Mr. HAVEMEYER. It would be a local matter. If Philadelphia was——

Senator ALLEN. In the State of your nativity, or the nativity of your corporation, New Jersey, where do your contributions go?

Mr. HAVEMEYER. I will have to look that up.

Senator ALLEN. I understand New Jersey is invariably a Democratic State. It would naturally go to the Democratic party?

Mr. HAVEMEYER. Under the theory I have suggested if they were there it would naturally go to them.

Senator ALLEN. What, in round numbers, is the amount annually contributed by the American Sugar Refining Company to the different political parties for campaign purposes?

Mr. HAVEMEYER. There is no fixed amount. I could not guess at it.

Senator ALLEN. Does it amount to $100,000?

Mr. HAVEMEYER. Oh, no.

Senator ALLEN. Did the American Sugar Refining Company contribute anything in 1892 toward securing the nomination of any particular individual to the office of President of the United States?

Mr. HAVEMEYER. Nothing in a national shape in any manner, shape, or form.

Senator ALLEN. Did you contribute to what is known as the "Anti-Snapper Fund?"

Mr. HAVEMEYER. No, sir.

Senator ALLEN. You did not contribute to that at all?

Mr. HAVEMEYER. There is no doubt about positiveness on that point.

Senator ALLEN. In the State of California, did you contribute to the campaign fund of the Democratic or Republican party there?

Mr. HAVEMEYER. I know nothing about that.

Senator ALLEN. That is the Western Refining Company, in which you have a half interest. Does that contribute anything?

Mr. HAVEMEYER. I know nothing about that.

Senator ALLEN. In the State of Louisiana you contribute, however, do you not?

Mr. HAVEMEYER. I know nothing about that.

Senator ALLEN. Who would know about Louisiana and California?

Mr. HAVEMEYER. I believe Mr. Spreckels is the president of the Western refinery.

Senator ALLEN. And this money that you contribute to these different parties for campaign purposes——

Mr. HAVEMEYER. Local campaign purposes.

Senator ALLEN. Certainly; local campaign purposes—that money comes out of the corporation of the sugar refining company?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. And is a part of the expenses of the company?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. Charged up on your books as expenses?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. And the books of your refining company would show the amount of money which you have annually contributed to the respective political parties and the State in which it was contributed, and the party to which it was contributed, would they not?

Mr. HAVEMEYER. I don't think it shows in that form.

Senator ALLEN. How would it show—as so much money?

Mr. HAVEMEYER. It would show that a payment was made, and that payment would have to be explained by the party who made it.

Senator ALLEN. Made to some particular individual?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. He would have to render an account, which would not go upon the books, as to the manner in which that money was expended?

Mr. HAVEMEYER. He would have to expend it in conformity with the instructions of the board.

Senator ALLEN. The manner in which he did expend it actually would not appear upon your books?

Mr. HAVEMEYER. No, sir.

Senator ALLEN. Have you been in the habit of expending any money in connection with State legislatures?

Mr. HAVEMEYER. You mean in the campaign of the State? You do not mean in the legislature itself?

Senator ALLEN. I mean in influencing State legislation.

Mr. HAVEMEYER. Oh, never. We have contributed to local campaign parties, but never in the way of influencing legislation, and we never contribute with any obligation.

Senator LODGE. I will ask you whether any money has been contributed by the sugar trust or any member of the sugar trust toward securing or aiding the election of any United States Senator?

Mr. HAVEMEYER. None whatever.

Senator ALLEN. Can you ascertain the amount?

Mr. HAVEMEYER. I can if I apply to the books.

Senator ALLEN. Will you do it?

Mr. HAVEMEYER. If it is the order of this committee I will do anything.

Senator ALLEN. That is, as to each of the different States in which money has been contributed?

Mr. HAVEMEYER. If that is the order of the committee, I will get it.

Senator ALLEN. So far as I am concerned, I request of the witness, Mr. Havemeyer, to produce full data as to all money contributed by the American Sugar Refining Company, or any of its officers on its account or in its interest, in the different States of the Union, in 1892 and 1893, for political purposes of any political party, whether national, State, or local.

Mr. HAVEMEYER. As to national, I will answer now, no; there is none. As to others, there is.

(The request of Senator Allen was granted by the committee, and Mr. Havemeyer asked an opportunity to consult his counsel before furnishing the data called for.)

WASHINGTON, D. C., *June 13, 1894.*

The committee met pursuant to adjournment.

Present: Senator Gray (the chairman), and Senators Lindsay, Davis, Lodge, and Allen.

SWORN STATEMENT OF H. O. HAVEMEYER—Continued.

The CHAIRMAN. Now, Mr. Havemeyer, you have stated that you wish to make a statement of some kind.

Mr. HAVEMEYER. It is in relation to the answer that I am to make to that last interrogatory.

The CHAIRMAN. Have you a copy of it with you?

Mr. HAVEMEYER. Yes, sir [handing a paper to the chairman].

The CHAIRMAN. The interrogatory is as follows:

Senator ALLEN. So far as I am concerned, I request of the witness, Mr. Havemeyer, to produce full data as to all money contributed by the American Sugar

Refining Company, or any of its officers, on its account or in its interest, in the different States of the Union in 1892 or 1893, for political purposes, to any political party, whether national, State, or local.

Mr. HAVEMEYER. While I am perfectly willing to answer any material matters, under advice of counsel I decline to answer about outside matters. I decline to answer about local contributions. I know of nothing given to the national campaign. There exists no bargain of any nature, and never claimed that the company was entitled to anything except what its merits required.

The CHAIRMAN. Is that the answer you desire to make to this question?

Mr. HAVEMEYER. That is the answer.

* * * * * *

Senator ALLEN. Since your examination yesterday you have consulted counsel as to the propriety of answering questions with reference to divulging the amount of money that you paid for election purposes in the different States?

Mr. HAVEMEYER. As to making any answer.

Senator ALLEN. And in declining to answer the question put to you I observed that you read your answer from a piece of paper?

Mr. HAVEMEYER. Yes, sir.

Senator ALLEN. Was that answer prepared by you or by your counsel?

Mr. HAVEMEYER. By me.

Senator ALLEN. Under the direction of your counsel?

Mr. HAVEMEYER. No, sir; under the advice of counsel.

Senator ALLEN. I do understand you, however, to say and repeat, that in States where you have a financial interest, at least where the sugar refining company has an interest as refiners, you do contribute to either the Democratic or Republican party as one or the other may be in the ascendency in that State?

Mr. HAVEMEYER. We do for local and State purposes, but not national.

Senator ALLEN. You never contribute to the campaign fund of a party in the minority?

Mr. HAVEMEYER. We may; I will not say we do not.

Senator ALLEN. Your policy, however, is to stand in with the ruling power?

Mr. HAVEMEYER. Not to "stand in," but to contribute to the campaign expenses of that party, for the reason that they, being in power and control, it could give us the protection we should have.

Senator ALLEN. And by that means you placate——

Mr. HAVEMEYER. Oh, no; there is no placation or obligation at all; nothing more than we consider the proper thing to do; everybody does it.

Senator ALLEN. Does any other corporation in these same States do the same thing, that you know?

Mr. HAVEMEYER. I understand every individual, corporation, and firm in existence do it in their respective States.

Senator ALLEN. So the American Sugar Refining Company's politics, so far as its contributions to the campaign fund is concerned, is controlled by the political complexion of the State in which it happens to have a particular refinery?

Mr. HAVEMEYER. The American Sugar Refining Company has no politics of any kind.

Senator ALLEN. Only the politics of business?

Mr. HAVEMEYER. Only the politics of business.

Senator LINDSAY. You say the company is separate and distinct from the officers and stockholders; each man has his own politics?

Mr. HAVEMEYER. We have nothing to do with politics in any shape or manner. Our business is the refining of sugar at a slight profit that is consistent with a reasonable return on the industry.

A copy of the subpœna by which said witness was commanded to appear and testify before the committee at the time and place aforesaid, together with a copy of the certificate of service thereof, is hereto attached and marked Exhibit A:

UNITED STATES OF AMERICA,
Congress of the United States

To Henry O. Havemeyer, greeting:

Pursuant to lawful authority, you are hereby commanded to appear before the special committee, appointed May 17th, 1894, of the Senate of the United States forthwith, 1894, at the committee room, Privileges and Elections, U. S. Senate, then and there to testify what you may know relative to the subject-matters under consideration by said committee.

Hereof fail not, as you will answer your default under the pains and penalties in such cases made and provided.

To Richard J. Bright, Sergeant-at-Arms of the Senate of the United States, to serve and return.

Given under my hand, by order of the committee, this 6th day of June, in the year of our Lord one thousand eight hundred and ninety-four.

GEO. GRAY
Chairman Special Committee.

SENATE OF THE UNITED STATES,
Office of the Sergeant-at-Arms.

I do appoint and hereby empower B. W. Layton to serve this subpœna, and to exercise all the authority in relation thereto with which I am vested by the within order.

R. J. BRIGHT,
Sergeant-at-Arms of the Senate of the United States.

WASHINGTON, D. C., *June 7, 1894.*

I made service of the within subpœna through my deputy, B. W. Layton, by the within-named Henry O. Havemeyer, at No. 117 Wall st., New York City, at 11:30 o'clock a. m., on the seventh day of June, 1894.

R. J. BRIGHT,
Sergeant-at-Arms, Senate of the U. S.

In the opinion of the committee each of the questions put to said witness was a proper question and pertinent to the question under inquiry before the committee, and was necessary to make the examination ordered by said resolution of the Senate, and that said witness is in contempt of the Senate and merits to be dealt with for his misconduct; and that said witness, by his various refusals to answer the questions as herein set forth, has violated the provisions of that certain act of Congress in such cases made and provided, being chapter 7 of the Revised Statutes of the United States, which chapter is as follows:

SEC. 102, Rev. Stat. Every person who, having been summoned as a witness by the authority of either House of Congress to give testimony or to produce papers upon any matter under inquiry before either House, or any committee of either House of Congress, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the question under inquiry, shall be deemed guilty of a misdemeanor, punishable by a fine of not more than one thousand dollars nor less than one hundred dollars, and imprisonment in a common jail for not less than one month nor more than twelve months.

SEC. 103. No witness is privileged to refuse to testify to any fact or to produce any paper respecting which he shall be examined by either House of Congress, or by any committee of either House, upon the ground that his testimony to such fact or his production of such paper may tend to disgrace him or otherwise render him infamous.

SEC. 104. Whenever a witness summoned, as mentioned in section one hundred and two, fails to testify, and the facts are reported to either House, the President of the Senate or the Speaker of the House, as the case may be, shall certify the fact under the seal of the Senate or House to the district attorney for the District of Columbia, whose duty it shall be to bring the matter before the grand jury for their action.

Wherefore, the committee report to the Senate, to the end that the President of the Senate may certify as to said witness his aforesaid failure to testify and his aforesaid refusals to answer, and all the facts herein, under the seal of the Senate, to the United States district attorney for the District of Columbia, in order that said witness may be proceeded against in manner and form provided by law.

C. K. DAVIS,
H. C. LODGE,
WM. V. ALLEN,
Committee.

ADDITIONAL VIEWS OF MR. ALLEN, OF THE COMMITTEE.

In addition to the above recommendation of the committee regarding the witness Henry O. Havemeyer, I have to say that I think he ought to be brought to the bar of the Senate and be required to there purge himself of the contempt of which he is guilty, or be summarily punished for refusing to do so.

I therefore recommend the adoption of the following resolution by the Senate:

Whereas Henry O. Havemeyer, a witness, was heretofore duly summoned by a select committee of the Senate, and being lawfully required to testify before said committee, has, as appears by the report of said committee, refused to answer pertinent and material questions propounded to him by said committee: Therefore,

Resolved, That the President of the Senate issue his warrant in due form under his hand and the seal of the Senate, directed to the Sergeant-at-Arms of the Senate, commanding him forthwith to arrest and bring to the bar of the Senate the body of said Henry O. Havemeyer, to show cause why he should not be punished for contempt, and in the meantime to keep the said Havemeyer in custody to await the further order of the Senate.

Respectfully submitted.

WM. V. ALLEN.

VIEWS OF THE MINORITY.

The undersigned members of the committee, being unable to agree with the majority in the report made by them to the Senate in the case of the witness Henry O. Havemeyer, deem it proper to state the ground of their dissent.

The resolution of the Senate under which the committee has been prosecuting this investigation directs it to inquire, among other things, "whether any contributions have been made by the sugar trust or any person connected therewith, to any political party for campaign or election purposes, or to secure or defeat legislation."

The undersigned do not believe that in our system of Government unlimited power is deposited by the people anywhere, but on the other hand, that limitation of power was conspicuously kept in view by the framers of that Government. They do not feel at liberty, therefore, to impute to the Senate a purpose to pursue ends clearly beyond the scope of its power. Admitting that an inquiry as to whether certain persons have made contributions to any political party to secure or defeat Federal legislation is within the competence of the Senate to make, they deny that it is within such competence to direct an inquiry as to who has contributed to the campaign fund of any political party without reference to the purpose for which the contribution was made.

The undersigned, therefore, in obedience to the principle of the well-established rule that where a construction is possible which brings a law within the enacting power of the legislature, such construction shall obtain, have felt compelled to construe the resolution so as to make the instruction of the Senate to the committee one commanding it to inquire whether any contributions have been made by the sugar trust, or any person connected therewith, to any political party for campaign or election purposes to secure or defeat Federal legislation. As will appear from the evidence of Mr. Havemeyer submitted to the Senate, the question was, in substance, thus put to him and answered in the negative.

It will be observed, from the extracts from the testimony submitted by the majority of the committee, that the witness Havemeyer answered freely and fully all questions as to whether or not contributions had been made by the sugar trust to the national campaign fund of any party, and that the charge of contumacy rests solely upon questions put to him as to the amounts and particulars of contributions which he had testified had been made by the trust for local and State purposes. Therefore the question presented by this report is whether or not the Senate of the United States directed this committee, or had power to direct this committee, to inquire as to what contributions a particular individual or corporation may have made to campaign funds for the conduct of elections, strictly State or local, in the years 1892 and 1893.

It is the opinion of the undersigned that the resolution under which this committee is acting will not admit of the interpretation necessary to support the report of the majority of the committee, and that the said witness has not refused to answer any question that was pertinent to the inquiry with which the committee was, or could have been, properly charged.

GEO. GRAY,
WILLIAM LINDSAY.

53D CONGRESS, 2d Session. } SENATE. { REPORT No. 486.

APPENDIX E.

IN THE SENATE OF THE UNITED STATES.

JUNE 21, 1894.—Ordered to be printed.

Mr. DAVIS, from the Special Committee to Investigate Attempts at Bribery, etc., submitted the following

REPORT:

The special committee, under and in pursuance of a resolution of the Senate of May 17, A. D. 1894, as follows:

Whereas it has been stated in the Sun, a newspaper published in New York, that bribes have been offered to certain Senators to induce them to vote against the pending tariff bill; and

Whereas it has also been stated in a signed article in The Press, a newspaper published in Philadelphia, that the sugar schedule has been made up as it now stands in the proposed amendment in consideration of large sums of money paid for campaign purposes of the Democratic party: Therefore,

Resolved, That a committee of five Senators be appointed to investigate these charges and to inquire further whether any contributions have been made by the sugar trust, or any person connected therewith, to any political party for campaign or election purposes or to secure or defeat legislation, and whether any Senator has been or is speculating in what are known as sugar stocks during the consideration of the tariff bill now before the Senate, and with power to send for persons and papers and to administer oaths.

Resolved further, That said committee be authorized to investigate and report upon any charge or charges which may be filed before it alleging that the action of any Senator has been corruptly or improperly influenced in the consideration of said bill, or that any attempt has been made to so influence legislation.

have attended to their duties so far as they have been able, but in certain respects have been prevented by reason of the matters hereinafter stated, and ask leave to report in part as follows:

In pursuance of said resolution the said committee met in the Capitol on the 21st day of May, 1894, at 10 o'clock a. m., and, after the examination of certain matters embraced in the first paragraph of the said resolution, the committee proceeded to investigate further the matters submitted to them by the said resolution, and on the 13th day of June, A. D. 1894, the committee being duly assembled, one John E. Searles who had been duly subpœnaed and summoned as a witness to appear before said committee, then and there appeared and submitted to be examined as a witness. The witness was duly sworn by the chairman of said committee.

In the course of his testimony the said witness was asked certain questions and refused to answer the same. The testimony in the course of which such questions were asked him and such refusals by him made, is as follows:

Senator ALLEN. I will pass that question. I see you and I radically disagree upon that, and probably always will. The American Sugar Refining Company is in the habit of contributing money for campaign purposes to the different political parties, is it not?

Mr. SEARLES. It has done so; yes, sir.

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Senator ALLEN. Has it done so each year of its existence?

Mr. SEARLES. I do not know that it has done so each year, but it has done so from time to time.

Senator ALLEN. Did it do so in 1892?

Mr. SEARLES. It did.

Senator ALLEN. In what States?

Mr. SEARLES. I can not enumerate the States.

Senator ALLEN. According to your best recollection, in what States?

Mr. SEARLES. I should not care to testify directly on that point, unless——

Senator ALLEN. The resolution embraces that inquiry.

The CHAIRMAN (to Mr. Searles). Unless what? Finish your sentence.

Mr. SEARLES. Unless it does come within the province of this inquiry. I do not understand that it does.

The CHAIRMAN. It does.

Mr. SEARLES. Kindly show me how it does?

The CHAIRMAN. The resolution under which we are acting reads in this way:

Resolved, That a committee of five Senators be appointed to investigate these charges, and to inquire further whether any contributions have been made by the sugar trust, or any person connected therewith, to any political party for campaign or election purposes, or to secure or defeat legislation.

Mr. SEARLES. In answer to that question with reference to any contributions to secure or defeat legislation, I answer emphatically, no.

Senator ALLEN. You misapprehended the scope of the resolution.

The CHAIRMAN. That is what we want to get at, whether there has been any.

Senator ALLEN. Let me show you where you misapprehend it:

Resolved, That a committee of five Senators be appointed to investigate these charges and to inquire further whether any contributions have been made by the sugar trust, or any person connected therewith, to any political party for campaign or election purposes, or to secure or defeat legislation.

There are several distinct propositions embraced in that.

Mr. SEARLES. There have been no contributions made by the company, to my knowledge, with any view to pending legislation on the sugar question.

The CHAIRMAN. Or to secure or defeat legislation?

Mr. SEARLES. Nor to secure or defeat legislation.

Senator ALLEN. I will ask you, in the language of this resolution, whether any contributions have been made by the sugar trust or any person connected therewith to any political party for campaign purposes?

Mr. SEARLES. Such contributions have been made locally, but with no application, or with no purpose to influence legislation.

Senator ALLEN. In what States have contributions of that kind been made?

Mr. SEARLES. I can not answer definitely on that point.

Senator ALLEN. Have they been made in the State of Massachusetts?

Mr. SEARLES. I am not certain as to that.

Senator ALLEN. Have they been made in the State of New York?

Mr. SEARLES. I think they have.

Senator ALLEN. Have they been made in the State of New Jersey?

Mr. SEARLES. I am not certain as to that.

Senator ALLEN. Have they been made in the State of Pennsylvania?

Mr. SEARLES. Nor am I certain as to that.

Senator ALLEN. In the State of Ohio?

Mr. SEARLES. I have no knowledge of any such.

Senator ALLEN. How are these contributions made? That is, are they made and charged up to the company, or made by some officer or member of the company on behalf the company?

Mr. SEARLES. They have been made by some officer of the company, usually, I think, by its president.

Senator ALLEN. And are charged to the expense account of the company, are they not?

Mr. SEARLES. I think they are.

Senator ALLEN. Would your books show a contribution to the campaign fund of any party?

Mr. SEARLES. No, sir.

Senator ALLEN. How is the entry made upon the books of the company?

Mr. SEARLES. I am not certain as to that. It has been made, I think, an individual matter.

Senator ALLEN. It would be charged to some member of the company?

Mr. SEARLES. I am not certain as to these entries, how they are made.

Senator ALLEN. What officer or member of the company usually disburses the money that is appropriated to campaign purposes?

Mr. SEARLES. I think that what has been done in that direction has usually been done through the president.

Senator ALLEN. Mr. H. O. Havemeyer?

Mr. SEARLES. Yes, sir.

Senator ALLEN. Does he make an account to the board of directors?

Mr. SEARLES. He does.

Senator ALLEN. Is it explained?

Mr. SEARLES. No, sir; there is no explanation.

Senator ALLEN. Just a verbal explanation?

Mr. SEARLES. That is all.

Senator ALLEN. There is no account of that that is carried back on the books after the expenditure of the money, is there?

Mr. SEARLES. I could not say as to how that is.

Senator ALLEN. If Mr. Havemeyer was charged with $100,000 to be expended in donations to political parties for campaign purposes, how would that item be balanced on the books?

Mr. SEARLES. I could not answer that question.

Senator ALLEN. You have access to the books, have you not?

Mr. SEARLES. Yes, sir.

Senator ALLEN. You have noticed these items, have you not?

Mr. SEARLES. I am aware that there are such entries.

Senator ALLEN. You are a member of the board of directors, are you not?

Mr. SEARLES. Yes, sir.

Senator ALLEN. And these matters have come before the board of directors for adjustment, have they not?

Mr. SEARLES. My impression is that they have been reported to the board.

Senator ALLEN. Do you know as a matter of fact that they have?

Mr. SEARLES. I think they have.

Senator ALLEN. What amount was expended by your company in the campaign of 1892?

Mr. SEARLES. I must decline to answer that question.

Senator ALLEN. On what grounds do you decline?

Mr. SEARLES. On the ground that it is not within the province of this inquiry.

Senator ALLEN. Do you decline because it would lead to further inquiries that would criminate you or anybody belonging to your organization?

Mr. SEARLES. I decline simply because I am advised that inquiries as to local contributions are not within the province of the committee.

Senator ALLEN. If you contributed to the campaign fund of 1892, when there was a Presidential election, Members of Congress, and members of the legislature, whose duty it was after being elected to select Senators and that selected Senators, one in the State of New York and the State of New Jersey, and these contributions were used for general election purposes there, you would not claim, then, it was donated for merely local purposes, municipal purposes, would you?

Mr. SEARLES. I have no knowledge of any such contributions.

Senator ALLEN. You are the treasurer of the company?

Mr. SEARLES. Yes, sir.

Senator ALLEN. And have been for the last two or three years or more?

Mr. SEARLES. Yes, sir.

Senator ALLEN. All money paid out by that company is paid out by you, is it not?

Mr. SEARLES. No, sir; not necessarily. It is paid only on my order or that of the president.

Senator ALLEN. Only on your order or that of the president?

Mr. SEARLES. Yes, sir.

Senator ALLEN. Have you paid out any money for campaign purposes during the years 1892 and 1893 as treasurer of the American Sugar Refining Company?

Mr. SEARLES. Only for such as I have spoken of.

Senator ALLEN. Local purposes?

Mr. SEARLES. That is all.

Senator ALLEN. When you say local purposes, you mean contributions to the State campaign fund?

Mr. SEARLES. I think that would be included.

Senator ALLEN. And that was in 1892?

Mr. SEARLES. Yes, sir.

Senator ALLEN. When Harrison and Cleveland were candidates for the Presidency?

Mr. SEARLES. Yes, sir.

Senator ALLEN. And it was to be used in the same election where these men were candidates, was it not?

Mr. SEARLES. I should think it was to be used at that time.

Senator ALLEN. You know as a matter of fact it was. Do you not know as a matter of fact it was to be used by the political party to whom it was contributed for all general purposes connected with the election that fall?

Mr. SEARLES. I do not know that.

Senator ALLEN. You supposed at the time it was to be used that way?

Mr. SEARLES. I have no knowledge of the way it was used—as to whether it was used for general purposes or not.

Senator ALLEN. Upon the question as to how it was used, or for whom it was used, or for what purpose it was used, you know nothing?

Mr. SEARLES. Precisely.

Senator ALLEN. And did not want to know anything at the time?

Mr. SEARLES. I made no inquiry, if that is what you mean.

Senator ALLEN. What sum did you contribute to the Democratic campaign fund in the State of New York in 1892 that was used for the purpose of conducting the campaign in that State, at which time Cleveland and Harrison were candidates for President of the United States?

Mr. SEARLES. I must decline to answer that question for the reasons stated.

Senator ALLEN. You did contribute some money, did you not?

Mr. SEARLES. I think an amount was contributed. Personally, I have no knowledge what it was now.

Senator ALLEN. And it was charged to the account of the American Sugar Refining Company?

Mr. SEARLES. Charged to the account of the American Sugar Refining Company.

Senator ALLEN. And you decline now to state the amount?

Mr. SEARLES. Yes, sir.

Senator ALLEN. Was it $100,000?

Mr. SEARLES. I decline to state the amount.

Senator ALLEN. Was it over $100,000?

Mr. SEARLES. I decline to say.

Senator ALLEN. Was it less than $100,000?

Mr. SEARLES. I decline to state.

Senator ALLEN. Why do you decline to state?

Mr. SEARLES. Because I do not understand that is within the province of your inquiry.

Senator ALLEN. Do you not decline to state simply because you know it was disreputable and unlawful to contribute this money?

Mr. SEARLES. No, sir; I do not admit anything of the kind.

Senator ALLEN. You think it is perfectly laudable for the American Sugar Refining Company to contribute large sums of money, by the thousands of dollars, for the purpose of influencing elections in this country, do you?

Mr. SEARLES. I have always understood, or for many years, that it is the custom of both parties to solicit from corporations and individuals contributions for the carrying on of their political campaigns, and that it is the custom of corporations and individuals to respond to such invitations. And with that understanding, and what I believe to be a general custom, the American Sugar Refining Company has made such contributions at times.

Senator ALLEN. Do you believe it is perfectly proper for a corporation, the value of whose stocks may be affected by national legislation, to contribute its funds to the success or defeat of one political party or the other?

Mr. SEARLES. I think as parties are now managed that is proper.

Senator ALLEN. And the American Sugar Refining Company, as a company, was actuated by a high sense of patriotic duty in contributing this money, I suppose?

Mr. SEARLES. That is a pleasant way of putting it.

Senator ALLEN. Did you contribute to the Democratic fund of New York?

Mr. SEARLES. I decline to answer that question.

Senator ALLEN. Did you contribute to the Republican fund of New York?

Mr. SEARLES. I decline to answer that also.

Senator ALLEN. Did you contribute to both of them?

Mr. SEARLES. I also decline to answer that.

Senator ALLEN. Did you contribute to the Populist fund of New York?

Mr. SEARLES. I also decline to answer that.

Senator ALLEN. Or the Prohibition fund, or any other fund?

Mr. SEARLES. I decline to answer as to any fund.

Senator ALLEN. What return did you expect the American Sugar Refining Company to receive for the immense sum of money you put into the campaign fund of 1892 in New York?

Mr. SEARLES. I am not aware of any expectation in that regard.

Senator ALLEN. You do not mean to say you are in the habit of contributing large sums of money to any enterprise without expecting some pecuniary return, do you?

Mr. SEARLES. I have learned long since the truth of the colored man's version on that—"Blessed am dem what 'spects nuffin, den dey don't get disappointed."

Senator ALLEN. I appreciate that, but you do not mean to say as a business man and as a business proposition that your corporation would contribute to either the Democratic or Republican party in the State of New York, or any other State, without expecting any return, either directly or indirectly, some pecuniary benefit, do you?

Mr. SEARLES. I mean to say this, that under the existing custom, our corporation, being a corporation which has large property interests, has been called upon to contribute by the political parties and has done so without any definite understanding as to any benefits to be received thereby, but by reason of the property interests of the corporation and of its large representation of capital——

Senator ALLEN. Now, while you had no definite contract or understanding with the managers of the political parties to whom you have contributed, is it not true that you expected favorable consideration from the party that succeeded in getting the control of the national legislation or national affairs—what you call "fair treatment" of your interest?

Mr. SEARLES. I have always believed that we would get, by a proper presentation of our business industry and its needs, fair protection from either party aside from any contributions or anything else.

Senator ALLEN. You realize, I suppose, as I do, that every sane man acts from some motive?

Mr. SEARLES. Yes, sir.

Senator ALLEN. The American Sugar Company's contribution to the campaign fund of 1892 must have been actuated by one of two things, either a high sense of patriotic duty to some political party or the expectation of acquiring some benefit from the contribution when it was made, some pecuniary benefit. Now, which was the motive that inspired you in making that contribution?

Mr. SEARLES. I should say the patriotic duty.

Senator ALLEN. I think that is all I want to ask you, Mr. Searles.

The CHAIRMAN. You were asked whether the contributions that were made by the sugar trust in the campaign of 1892 were actuated by certain motives.

Mr. SEARLES. Yes, sir.

The CHAIRMAN. Assuming that such contributions were made, are you referring now to the contributions which you have said were made locally?

Mr. SEARLES. Those are the only contributions made by the company.

The CHAIRMAN. In what States were they made?

Mr. SEARLES. I can not state that definitely.

The CHAIRMAN. Did you make a personal contribution?

Mr. SEARLES. I did.

The CHAIRMAN. To what party?

Mr. SEARLES. In the State of New York.

The CHAIRMAN. To what party?

Mr. SEARLES. Is it within the province of the committee to inquire into my private contributions?

The CHAIRMAN. I simply ask the question, and am not called upon to pass upon it.

Mr. SEARLES. I decline to answer, it being a private matter.

Senator LODGE. Mr. Havemeyer stated yesterday that the sugar refining company contributed money in New York and in Massachusetts. Do you remember any other State in which they contributed?

Mr. SEARLES. I should not attempt to name the States in which contributions were made.

Senator ALLEN. And in New Jersey?

The CHAIRMAN. Have these contributions been made in campaigns prior to 1892, to your knowledge?

Mr. SEARLES. I think so.

Senator LODGE. Do you know whether contributions were made in any Western States?

Mr. SEARLES. I have no knowledge on that point.

The CHAIRMAN. There is a statement here in an article published in the Philadelphia Press, which article was part of the occasion for the formation of this committee, that an appeal was made to these men, meaning the sugar men, for money:

> The subscriptions may have been given as individual contributions, but such gift was a pure fiction if it was made in that way. It was a sugar-trust subscription to the national campaign committee in return for pledges which were afterwards insistently demanded to be redeemed.

Is that true, to your knowledge?

Mr. SEARLES. I know of no such subscription.

The CHAIRMAN—

> The subscription was the magnificent sum of $500,000. And at another place in this article there will be reported a distinct and emphatic admission of this subscription and pledge from one of the highest officers of the Government of the United States.

Do you know of any such subscription to the national campaign committee of either party?

Mr. SEARLES. I know of no such contribution.

The CHAIRMAN. "A part of this money bought Colorado for the Populists." Do you know of any such purchase as that?

Mr. SEARLES. No, sir.

The CHAIRMAN. "A part of it brought about Populist alliances elsewhere."

Mr. SEARLES. I know of no such.

The CHAIRMAN. "A part of it was used in Illinois." Do you know of any such purchase?

Mr. SEARLES. No, sir.

The CHAIRMAN. "There was no doubt that this great fortune was mainly instrumental in securing those alliances and influencing those purchasable or discontented elements whose action upon election day caused such astounding results in the West."

Mr. SEARLES. I have no knowledge of any such transaction as those referred to in the article read.

Senator LODGE. Do you know of any money being given for the local campaign in Colorado?

Mr. SEARLES. I do not.

Senator LODGE. Or Nebraska?

Mr. SEARLES. I do not.

* * * * * * *

Senator ALLEN. Were you approached by any person on behalf of the national Democratic or Republican central committees in 1892 to contribute to the campaign fund of that year, either individually or in behalf of the company?

Mr. SEARLES. I do not remember to have been solicited in that way.

Senator ALLEN. No one asked you as an individual to contribute, or asked you as an officer to have the company contribute?

Mr. SEARLES. I do not remember any such request.

Senator ALLEN. All the way through, when you speak of local contributions I understand you to mean contributions to the State organizations of the party, whichever party it may be. For instance, if you speak of local contributions in the State of New York to the Democratic party, you mean to the Democratic organization in the State, do you not?

Mr. SEARLES. I do not know as to the organization, but for State purposes, whatever that may have been.

Senator ALLEN. Were your contributions larger in 1892 than they were in 1893?

Mr. SEARLES. I could not say as to that.

Senator ALLEN. What is your best recollection?

Mr. SEARLES. I do not remember.

* * * * * * *

Senator ALLEN. Have you any objection to producing your books, showing by that means the contributions that were made by the sugar trust for political purposes in the last few years, in 1892 and 1893?

Mr. SEARLES. I should decline to do that.

Senator ALLEN. You should decline to do it?

Mr. SEARLES. Yes, sir.

A copy of the subpœna by which said witness was commanded to appear and testify before the committee at the time and place aforesaid, together with a copy of the certificate of service thereof, is hereto attached and marked Exhibit A.

EXHIBIT A.

UNITED STATES OF AMERICA,
Congress of the United States.

To J. E. Searles, greeting:

Pursuant to lawful authority, you are hereby commanded to appear forthwith before the special committee of the Senate of the United States to investigate attempts at bribery, etc., at the room of the Committee on Privileges and Elections, then and there to testify what you may know relative to the subject-matters under consideration by said committee.

Hereof fail not, as you will answer your default under the pains and penalties in such cases made and provided.

To Richard J. Bright, Sergeant-at-Arms of the Senate of the United States, to serve and return.

Given under my hand, by order of the committee, this 13th day of June, in the year of our Lord one thousand eight hundred and ninety-four.

GEO. GRAY,
Chairman Special Committee.

SENATE OF THE UNITED STATES,
Office of the Sergeant-at-Arms.

I do appoint and hereby empower B. W. Layton to serve this subpœna, and to exercise all the authority in relation thereto with which I am vested by the within order.

R. J. BRIGHT,
Sergeant-at-Arms of the Senate of the United States.

WASHINGTON, D. C., *June 13, 1894.*

I made service of the within subpœna through my deputy, B. W. Layton, by the within-named J. E. Searles, at Arlington Hotel, Washington, D. C., at one o'clock p. m., on the 13th day of June, 1894.

R. J. BRIGHT,
Sergeant-at-Arms, Senate of the U. S.

In the opinion of the committee each of the questions put to said witness was a proper question and pertinent to the question under inquiry before the committee, and was necessary to make the examination ordered by said resolution of the Senate, and that said witness is in contempt of the Senate and merits to be dealt with for his misconduct; and that said witness, by his various refusals to answer the questions as herein set forth, has violated the provisions of that certain act of Congress in such cases made and provided, being chapter 7 of the Revised Statutes of the United States, which chapter is as follows:

SEC. 102, Rev. Stat. Every person who, having been summoned as a witness by the authority of either House of Congress to give testimony or to produce papers upon any matter under inquiry before either House, or any committee of either House of Congress, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the question under inquiry, shall be deemed guilty of a misdemeanor, punishable by a fine of not more than one thousand dollars nor less than one hundred dollars, and imprisonment in a common jail for not less than one month nor more than twelve months.

SEC. 103. No witness is privileged to refuse to testify to any fact or to produce any paper, respecting which he shall be examined by either House of Congress or by any committee of either House, upon the ground that his testimony to such fact or his production of such paper may tend to disgrace him or otherwise render him infamous.

SEC. 104. Whenever a witness summoned, as mentioned in section one hundred and two, fails to testify, and the facts are reported to either House, the President of the Senate or the Speaker of the House, as the case may be, shall certify the fact under the seal of the Senate or House to the district attorney for the District of Columbia, whose duty it shall be to bring the matter before the grand jury for their action.

Wherefore, the committee report to the Senate, to the end that the President of the Senate may certify as to said witness his aforesaid failure to testify and his aforesaid refusals to answer, and all the facts herein, under the seal of the Senate, to the U. S. district attorney for the District of Columbia, in order that said witness may be proceeded against in manner and form provided by law.

C. K. DAVIS.
H. C. LODGE.
WM. V. ALLEN.

ADDITIONAL VIEWS OF MR. ALLEN, OF THE COMMITTEE.

In addition to the above recommendation of the committee regarding the witness, John E. Searles, I have to say that I think he ought to be brought to the bar of the Senate and be required to there purge himself of the contempt of which he is guilty, or be summarily punished for refusing to do so.

I therefore recommend the adoption of the following resolution by the Senate:

Whereas John E. Searles, a witness, was heretofore duly summoned by a select committee of the Senate, and being lawfully required to testify before said committee, has, as appears by the report of said committee, refused to answer pertinent and material questions propounded to him by said committee: Therefore,

Resolved, That the President of the Senate issue his warrant in due form, under his hand and the seal of the Senate, directed to the Sergeant-at-Arms of the Senate, commanding him forthwith to arrest and bring to the bar of the Senate the body of said John E. Searles, to show cause why he should not be punished for contempt, and in the meantime to keep the said Havemeyer in custody to await the further order of the Senate.

Respectfully submitted.

WM. V. ALLEN.

VIEWS OF THE MINORITY.

The undersigned members of the committee, being unable to agree with the majority in the report made by them to the Senate in the case of the witness, John E. Searles, deem it proper to state that the ground of their dissent is that set forth by the undersigned in the case of the witness, Henry O. Havemeyer.

GEO. GRAY,
WILLIAM LINDSAY.

53D CONGRESS, 2d Session. } SENATE. { REPORT No. 487.

APPENDIX F.

IN THE SENATE OF THE UNITED STATES.

JUNE 21, 1894.—Ordered to be printed.

Mr. GRAY, from the Special Committee to Investigate Attempts at Bribery, etc., submitted the following

REPORT:

The special committee, under and in pursuance of a resolution of the Senate of May 17, A. D. 1894, as follows:

Whereas it has been stated in The Sun, a newspaper published in New York, that bribes have been offered to certain Senators to induce them to vote against the pending tariff bill; and

Whereas it has also been stated in a signed article in The Press, a newspaper published in Philadelphia, that the sugar schedule has been made up as it now stands in the proposed amendment in consideration of large sums of money paid for campaign purposes of the Democratic party: Therefore,

Resolved, That a committee of five Senators be appointed to investigate these charges and to inquire further whether any contributions have been made by the sugar trust, or any person connected therewith, to any political party for campaign or election purposes or to secure or defeat legislation, and whether any Senator has been or is speculating in what are known as sugar stocks during the consideration of the tariff bill now before the Senate, and with power to send for persons and papers and to administer oaths.

Resolved further, That said committee be authorized to investigate and report upon any charge or charges which may be filed before it alleging that the action of any Senator has been corruptly or improperly influenced in the consideration of said bill, or that any attempt has been made to so influence legislation.

have attended to their duties so far as they have been able, but in certain respects have been prevented by reason of the matters hereinafter stated, and ask leave to report in part as follows:

In pursuance of said resolution the said committee met in the Capitol on the 21st day of May, 1894, at 10 o'clock a. m., and, after the examination of certain matters embraced in the first paragraph of the said resolution, the committee proceeded to investigate further the matters submitted to them by the said resolution, and on the 19th day of June, A. D. 1894, the committee being duly assembled, one John W. Macartney, who had been duly subpœnaed and summoned as a witness to appear before said committee, then and there appeared and submitted to be examined as a witness. The witness was duly sworn by the chairman of said committee.

In the course of his testimony the said witness was asked certain questions, and refused to answer the same, as will more fully appear by the following copy of his testimony, viz:

SWORN TESTIMONY OF JOHN W. MACARTNEY.

Senator ALLEN. Mr. Macartney, where do you reside?

Mr. MACARTNEY. My house address?

Senator ALLEN. No. The city in which you reside.

Mr. MACARTNEY. Washington.

Senator ALLEN. What is your occupation?

Mr. MACARTNEY. I am in the banking and brokerage business in this city, and am a member of the New York Stock Exchange.

Senator ALLEN. Are you in partnership with any other gentlemen?

Mr. MACARTNEY. No one has any interest in my business except myself.

Senator ALLEN. What is the name, or has been the name, of your firm?

Mr. MACARTNEY. Corson & Macartney. My partner died about two years ago, and I bought his interest from his estate.

Senator ALLEN. Is the business conducted in your name?

Mr. MACARTNEY. I have never changed the firm name.

Senator ALLEN. It is just Corson & Macartney, of which you are sole owner?

Mr. MACARTNEY. I am sole owner.

Senator ALLEN. Do you know Mr. E. R. Chapman, of the firm of Moore & Schley, of New York City?

Mr. MACARTNEY. Yes.

Senator ALLEN. Have you seen him here within ten days?

Mr. MACARTNEY. Recently; I can not say whether within ten days or not.

Senator ALLEN. Did you see him after he was subpœnaed to testify before this committee?

Mr. MACARTNEY. Yes.

Senator ALLEN. After he had been on the stand and testified and been excused here, did you see him?

Mr. MACARTNEY. I did.

Senator ALLEN. At your office?

Mr. MACARTNEY. Yes.

Senator ALLEN. You are the agent of his firm?

Mr. MACARTNEY. No, sir; not agent. We are only the correspondents of Moore & Schley here. They have no interest in my business and I have no interest in theirs.

Senator ALLEN. But you transact business on the stock exchange through them?

Mr. MACARTNEY. Through them; that is it.

Senator ALLEN. How many conversations did you have with Mr. Chapman at that time, or about that time?

Mr. MACARTNEY. I do not recollect. He was at my office, because it was the natural place for him to go, when he was in Washington, but I do not know how many times I talked with him.

Senator ALLEN. After he had first been examined and excused until the next day, did you see him that evening?

Mr. MACARTNEY. I did.

Senator ALLEN. At your office?

Mr. MACARTNEY. No; not at my office.

Senator ALLEN. At what place?

Mr. MACARTNEY. I think I saw him at the Arlington Hotel.

Senator ALLEN. And who was in company with him?

Mr. MACARTNEY. There wasn't anyone when I saw him.

Senator ALLEN. No one, but you two?

Mr. MACARTNEY. That is all.

Senator ALLEN. You did, however, at that time, or about that time, have a conversation with him at your office?

Mr. MACARTNEY. He was in my office that day.

Senator ALLEN. Was any United States Senator there with him?

Mr. MACARTNEY. No.

Senator ALLEN. Did you have any conversation in the presence of any United States Senator?

Mr. MACARTNEY. No.

Senator ALLEN. Did he converse with any United States Senator in your presence?

Mr. MACARTNEY. No; not in my office nor elsewhere.

Senator ALLEN. Has any United States Senator since the 1st day of February, 1894, transacted any business on the Stock Exchange of New York through your house in purchasing or selling sugar stocks or certificates?

Mr. MACARTNEY. Now, I want to treat this committee with all respect, but I must decline to answer that question.

Senator ALLEN. On what ground do you decline, Mr. Macartney?

Mr. MACARTNEY. Because in my own opinion this committee has no right to ask such a question, and I am advised by counsel they have no such right; and by saying that I do not mean to convey inferentially to any member of the committee that any Senator has speculated in my office. I simply refuse to answer as a matter of principle, and question the right of even this honorable committee to inquire into a private business.

Senator ALLEN. Do you not think that your refusal to answer implies that a United States Senator has operated or speculated through your firm?

Mr. MACARTNEY. I do not think that is so. I would not assume to answer the question if you asked if any Government clerk had dealt through my firm.

Senator ALLEN. Has any Senator's clerk, since the 1st day of February, 1894, dealt in sugar stocks or certificates through your firm?

Mr. MACARTNEY. I decline to answer that question, not because they ever did, but simply upon the principle involved.

Senator ALLEN. You mean to say that you decline to give any information upon this subject?

Mr. MACARTNEY. I mean that I can not tell the committee who are or are not the customers of Corson & Macartney.

Senator ALLEN. Notwithstanding it may involve the integrity of men who are legislating in national affairs?

Mr. MACARTNEY. No matter who it involves, or who it does not, that is the decision I must adhere to.

Senator ALLEN. You regard your duty to your own financial interest as superior to your duty as a citizen to the country at large?

Mr. MACARTNEY. I do not quite regard it in that light.

Senator ALLEN. Do you put your refusal to answer this question or these questions, and to disclose the names of Senators and their clerks who have speculated in sugar stocks during the last ninety days through your firm, upon the ground that it will criminate you or expose you to ignominy?

Mr. MACARTNEY. I do not understand that any crime is charged against anybody.

Senator ALLEN. Upon what precise ground and upon what ground alone do you base your refusal to answer these questions?

Mr. MACARTNEY. On the ground that a committee such as this has not the right to inquire who are or who are not my customers in a private business such as mine is.

Senator ALLEN. Notwithstanding those customers may be United States Senators and their clerks?

Mr. MACARTNEY. Notwithstanding who they may be.

Senator DAVIS. Mr. Macartney, did I understand you to say that from your refusal to answer no inference was to be drawn as to whether any Senator or his clerk had or had not speculated through your office?

Mr. MACARTNEY. I do not wish to create an inference in any direction by refusing to answer.

The CHAIRMAN. Whether you wish to create one or not, do you mean that your answer is justly susceptible of the inference that any Senator or his clerk has speculated through your office?

Mr. MACARTNEY. It might be susceptible of any view of mind. At the same time, I would not wish to convey that inference.

The CHAIRMAN. Would you decline to answer the question put to you by Senator Allen just the same whether a Senator had speculated or had not speculated?

Mr. MACARTNEY. It would be just the same; I would refuse to answer, as a matter of principle.

The CHAIRMAN. You would refuse, even if no Senator had ever bought or sold sugar stock through you?

Mr. MACARTNEY. I would refuse to answer.

Senator LINDSAY. You put it upon the ground that your business is a private business and the public has no interest in it?

Mr. MACARTNEY. That is it exactly.

Senator LINDSAY. You would have no objection to saying in an ordinary conversation, if asked, if such or such a person was or was not a customer of yours?

Mr. MACARTNEY. I would.

Senator LINDSAY. In a letter published in the Philadelphia Press of May 14, 1894, it is stated in substance that after the formulation of the present amendments to the tariff bill, which is now pending before the Senate, a copy of them was placed in the hands of the agent of Moore & Schley, at Washington, in the morning before he was out of bed. You may state if a copy of that schedule was presented to you?

Mr. MACARTNEY. It was not.

Senator LINDSAY. When did you first see that schedule?

Mr. MACARTNEY. The first accurate knowledge I had of the schedule was when it was given to the press.

Senator LINDSAY. You saw it in the press?

Mr. MACARTNEY. Yes; not in the Philadelphia Press, but in the newspapers generally.

Senator LINDSAY. And you never knew of its existence before that time?

Mr. MACARTNEY. I never did.

Senator LINDSAY. Do you know of any employé in your establishment to whom it was given before that?

Mr. MACARTNEY. I do not. I will state for the information of the committee that in an office like mine there are a great many speculators around, and a great many newspaper people come in. We hear a vast number of rumors and gossip upon a great many subjects. As pertinent to my business, I talked sugar with anybody. We heard a great deal of rumor, but we had no real accurate information in regard to the amendments until everybody had it, and no employé of mine had, so far as I know.

Senator ALLEN. Along about the 15th of February, 1894, were orders sent by you or by anybody in your employment to the New York Stock Exchange for United States Senators, or any United States Senator, for the purchase of sugar stocks or certificates?

Mr. MACARTNEY. I must decline to answer that, upon the same principle involved in the other question.

Senator ALLEN. Were any such orders sent by any United States Senator's clerk or person in his employment?

Mr. MACARTNEY. I decline to answer that question.

The CHAIRMAN. For the same reason?

Mr. MACARTNEY. For the same reason.

Senator ALLEN. You are aware of the statute which makes it your duty to answer, are you?

Mr. MACARTNEY. I think so.

Senator ALLEN. You prefer to take your chances of indictment and punishment here in the District?

Mr. MACARTNEY. Yes; the ordinary consequences.

Senator ALLEN. To answering the truth?

Mr. MACARTNEY. I do not say that.

Senator ALLEN. Well, you refuse to disclose the truth, do you not, by refusing to answer?

Mr. MACARTNEY. I only refuse to answer the question.

Senator ALLEN. Don't you conceal the truth in refusing to answer?

Mr. MACARTNEY. I refuse to answer the question as to who are or who are not customers of my firm.

Senator ALLEN. And you refuse to say whether you do or do not secrete the truth by your refusal to answer?

Mr. MACARTNEY. I do not think that is a fair question.

Senator ALLEN. I desire you to answer the question. If you see fit, do so. You seem to be master of the situation.

Mr. MACARTNEY. I decline to answer that.

Senator ALLEN. Mr. Macartney, do you not know that your refusal is based upon your purpose to secrete the names of Senators who have speculated through your firm?

Mr. MACARTNEY. I do not.

Senator ALLEN. Or their clerks?

Mr. MACARTNEY. I do not.

Senator ALLEN. And that it is your intention to shield all such persons as far as possible?

Mr. MACARTNEY. That is not my intention at all.

Senator ALLEN. And because you believe that to give their names would be injurious to your business in the future?

Mr. MACARTNEY. That is not what induces my refusal at all, Senator.

(A copy of the subpœna by which said witness was commanded to appear and testify before the committee at the time and place aforesaid, together with a copy of the certificate of service thereof, is hereto attached and marked Exhibit A.)

EXHIBIT A.

UNITED STATES OF AMERICA,
Congress of the United States.

To John W. Macartney, of Corson & Macartney, Washington, D. C., greeting:

Pursuant to lawful authority, you are hereby commanded to appear before the special committee of the Senate of the United States to investigate attempts at bribery, etc., on Tuesday, June 19th, 1894, at 11 o'clock a. m., at the room of the Committee on Privileges and Elections, then and there to testify what you may know relative to the subject-matters under consideration by said committee.

Hereof fail not, as you will answer your default under the pains and penalties in such cases made and provided.

To Richard J. Bright, Sergeant-at-Arms of the Senate of the United States, to serve and return.

Given under my hand, by order of the committee, this 18th day of June, in the year of our Lord one thousand eight hundred and ninety-four.

GEO. GRAY,
Chairman Special Committee.

SENATE OF THE UNITED STATES,
Office of the Sergeant-at-Arms.

I do appoint and hereby empower B. W. Layton to serve this subpœna, and to exercise all the authority in relation thereto with which I am vested by the within order.

R. J. BRIGHT,
Sergeant-at-Arms of the Senate of the United States.

WASHINGTON, D. C., *June 19, 1894.*

I made service of the within subpœna through my deputy, B. W. Layton, by the within-named John W. Macartney, at No. 1419 F St. NW., Washington, D. C., at 9:40 o'clock a. m., on the 19th day of June, 1894.

R. J. BRIGHT,
Sergeant-at-Arms Senate of the U. S.

In the opinion of the committee each of the questions put to said witness was a proper question and pertinent to the question under inquiry before the committee, and was necessary to make the examination ordered by said resolution of the Senate, and that said witness is in contempt of the Senate and merits to be dealt with for his misconduct; and that said witness, by his various refusals to answer the questions as herein set forth, has violated the provisions of that certain act of Congress in such cases made and provided, being chapter 7 of the Revised Statutes of the United States, which chapter is as follows:

SEC. 102, Rev. Stat. Every person who, having been summoned as a witness by the authority of either House of Congress to give testimony or to produce papers upon any matter under inquiry before either House or any committee of either House of Congress, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the question under inquiry, shall be deemed guilty of a misdemeanor, punishable by a fine of not more than one thousand dollars nor less than one hundred dollars, and imprisonment in a common jail for not less than one month nor more than twelve months.

SEC. 103. No witness is privileged to refuse to testify to any fact or to produce any paper respecting which he shall be examined by either House of Congress or by any committee of either House, upon the ground that his testimony to such fact or his production of such paper may tend to disgrace him or otherwise render him infamous.

SEC. 104. Whenever a witness summoned, as mentioned in section one hundred and two, fails to testify, and the facts are reported to either House, the President of the Senate or the Speaker of the House, as the case may be, shall certify the fact under the seal of the Senate or House to the district attorney for the District of Columbia, whose duty it shall be to bring the matter before the grand jury for their action.

Wherefore, the committee report to the Senate to the end that the President of the Senate may certify as to said witness his aforesaid failure to testify and his aforesaid refusals to answer, and all the facts herein, under the seal of the Senate, to the U. S. district attorney for the District of Columbia, and order that said witness may be proceeded against in manner and form provided by law.

GEORGE GRAY.
WILLIAM LINDSAY.
C. K. DAVIS.
HENRY CABOT LODGE.
WILLIAM V. ALLEN.

ADDITIONAL VIEWS OF MR. ALLEN, OF THE COMMITTEE.

In addition to the above recommendation of the committee regarding the witness, John W. Macartney, I have to say that I think he ought to be brought to the bar of the Senate and be required to there purge himself of the contempt of which he is guilty, or be summarily punished for refusing to do so.

I, therefore, recommend the adoption of the following resolution by the Senate:

Whereas John W. Macartney, a witness, was heretofore duly summoned by a select committee of the Senate, and being lawfully required to testify before said committee, has, as appears by the report of said committee, refused to answer pertinent and material questions propounded to him by said committee: Therefore,

Resolved, That the President of the Senate issue his warrant in due form under his hand and the seal of the Senate, directed to the Sergeant-at-Arms of the Senate, commanding him forthwith to arrest and bring to the bar of the Senate the body of said John W. Macartney, to show cause why he should not be punished for contempt, and in the meantime to keep the said Macartney in custody to await the further order of the Senate.

Respectfully submitted.

WM. V. ALLEN.

53D CONGRESS, 2d Session. } SENATE. { REPORT No. 624.

APPENDIX G.

IN THE SENATE OF THE UNITED STATES.

AUGUST 2, 1894.—Ordered to be printed.

Mr. GRAY, from the Special Committee on Attempts at Bribery, etc., submitted the following

REPORT:

The special committee, under and in pursuance of a resolution of the Senate of May 17, A. D. 1894, as follows:

Whereas it has been stated in The Sun, a newspaper published in New York, that bribes have been offered to certain Senators to induce them to vote against the pending tariff bill; and

Whereas it has also been stated in a signed article in The Press, a newspaper published in Philadelphia, that the sugar schedule has been made up as it now stands in the proposed amendment in consideration of large sums of money paid for campaign purposes of the Democratic party: Therefore,

Resolved, That a committee of five Senators be appointed to investigate these charges and to inquire further whether any contributions have been made by the sugar trust, or any person connected therewith, to any political party for campaign or election purposes or to secure or defeat legislation, and whether any Senator has been or is speculating in what are known as sugar stocks during the consideration of the tariff bill now before the Senate, and with power to send for persons and papers and to administer oaths.

Resolved, further, That said committee be authorized to investigate and report upon any charge or charges which may be filed before it alleging that the action of any Senator has been corruptly or improperly influenced in the consideration of said bill, or that any attempt has been made to so influence legislation.

have attended to their duties so far as they have been able, but in certain respects have been prevented by reason of the matters hereinafter stated, and ask leave to report in part as follows:

In pursuance of said resolution the said committee met in the Capitol on the 21st day of May, 1894, at 10 o'clock a. m., and, after the examination of certain matters embraced in the first paragraph of the said resolution, the committee proceeded to investigate further the matters submitted to them by the said resolution, and on the 25th day of July, A. D. 1894, the committee being duly assembled, one Allen Lewis Seymour, who had been duly subpœnaed and summoned as a witness to appear before said committee, then and there appeared and submitted to be examined as a witness. The witness was duly sworn by the chairman of said committee.

In the course of his testimony the said witness was asked certain questions and refused to answer the same, as will more fully appear by the following copy of his testimony, viz:

The CHAIRMAN. Your name, age, residence, and occupation?

Mr. SEYMOUR. My name is Allen L. Seymour; 26 years old; a broker; I live in East Orange, N. J.

The CHAIRMAN. Are you a member of the firm of Seymour Bros. & Young?

Mr. SEYMOUR. I am.

The CHAIRMAN. Who constitute that firm?

Mr. SEYMOUR. Allen L. Seymour, C. A. Seymour, William E. Young, and James W. Fox.

The CHAIRMAN. Are you the junior of those Seymours you mention?

Mr. SEYMOUR. I am the senior. I am the elder Seymour.

The CHAIRMAN. Who is the eldest member of the firm?

Mr. SEYMOUR. Mr. Young.

The CHAIRMAN. Where is your place of business?

Mr. SEYMOUR. 3 Exchange Court, New York.

The CHAIRMAN. You said you were stockbrokers?

Mr. SEYMOUR. Yes, sir.

The CHAIRMAN. You had a branch office in Washington during the last winter and spring?

Mr. SEYMOUR. Yes, sir.

The CHAIRMAN. Have you still?

Mr. SEYMOUR. Yes, sir.

The CHAIRMAN. Who attends to your stock business in your office in New York?

Mr. SEYMOUR. I do; and my brother and Mr. Young.

The CHAIRMAN. Would you know of all stock transactions, or orders to buy stock, that come to your firm?

Mr. SEYMOUR. I would if I happened to be there.

The CHAIRMAN. Is your brother here?

Mr. SEYMOUR. No, sir.

The CHAIRMAN. Is Mr. Young here?

Mr. SEYMOUR. No, sir.

The CHAIRMAN. Do you know of any purchase or sale, through the agency of your house, or otherwise, in so-called sugar stock by any United States Senator during the last winter and spring?

Mr. SEYMOUR. I decline to answer.

The CHAIRMAN. Why do you decline to answer?

Mr. SEYMOUR. Well, my brokerage business is sacred. I can not answer any questions about my business.

The CHAIRMAN. Do you know that your declining to answer gives rise to the inference that some United States Senator has bought or sold sugar stock through your firm?

Mr. SEYMOUR. I must decline to answer that.

The CHAIRMAN. Would you decline to answer just the same whether any United States Senator had or had not bought or sold such stock?

Mr. SEYMOUR. I do.

The CHAIRMAN. I say, "would you?"

Mr. SEYMOUR. I would.

The CHAIRMAN. Do you know Mr. Battershaw?

Mr. SEYMOUR. Yes, sir.

The CHAIRMAN. Is he employed by your firm?

Mr. SEYMOUR. No, sir.

The CHAIRMAN. Never?

Mr. SEYMOUR. He was, up to May 1.

The CHAIRMAN. Where was he employed?

Mr. SEYMOUR. Before the 1st of May he was in New York—no; I think he was in Washington. We sent him down. He said he had lots of friends or acquaintances in Washington and could do a good business down here, and so we sent him to Washington. I think he was here when he was discharged, on the 1st of May.

The CHAIRMAN. Did you ever receive from him, to be executed by your firm, an order of a United States Senator to buy or sell sugar stocks?

Mr. SEYMOUR. I don't remember any.

The CHAIRMAN. Did you ever execute an order for the sale of sugar stock through him during the last winter or spring, of Senator Camden? Did you ever execute an order, obtained through Battershaw or anybody else, of Senator Camden, to buy or sell sugar stock?

Mr. SEYMOUR. I decline to answer that.

The CHAIRMAN. Do you mean it to be inferred that there was such an order executed?

Mr. SEYMOUR. I decline to answer that.

The CHAIRMAN. Do you mean it to be inferred that there was not such an order?

Mr. SEYMOUR. I decline to answer that.

The CHAIRMAN. Do you know that by declining to answer you are giving rise to the inference that such order was executed by you for that Senator?

Mr. SEYMOUR. I decline to answer that.

The CHAIRMAN. Did you ever execute an order for the purchase or sale of sugar stock during the last winter from me?

Mr. SEYMOUR. I do not know your name.

The CHAIRMAN. I am Senator Gray.

Mr. SEYMOUR. No.

The CHAIRMAN. Why do you answer in my case and decline to answer when I ask you the same question about another Senator?

Mr. SEYMOUR. I decline to answer that.

The CHAIRMAN. Why do you decline to answer that question?

Mr. SEYMOUR. I decline to answer that, too.

The CHAIRMAN. You decline to answer that question, too?

Mr. SEYMOUR. Yes, sir.

The CHAIRMAN. Do you know the consequences of declining to answer a proper question?

Mr. SEYMOUR. No, sir; I do not.

The CHAIRMAN. You know that there is a law of the United States that makes it a penal offense to decline to answer a pertinent question propounded to you by a committee of the Senate in a matter which they are charged with the investigation of?

Mr. SEYMOUR. No, sir; I did not know it.

The CHAIRMAN. We say there is. We will have it read to you if you would like to have it read. Would you like to know what the law is as a law-abiding citizen?

Mr. SEYMOUR. I will take your word for it.

The CHAIRMAN. There is a law making it an offense, punishable by fine and imprisonment, to decline to answer a question that is put to you by a committee of the Senate pertinent to the inquiry with which they are charged. Do you still decline to answer?

Mr. SEYMOUR. I do.

Senator LODGE. I would like to ask you whether Mr. Battershaw was in the habit of taking orders to buy and sell stock and sending them to you for execution from Washington?

Mr. SEYMOUR. I could not say positively about that.

Senator LODGE. Why did you keep him here?

Mr. SEYMOUR. He solicited business.

Senator LODGE. Did he get you any order of any kind to buy or sell stock?

Mr. SEYMOUR. I decline to answer that.

The CHAIRMAN. Why did you discharge him?

Mr. SEYMOUR. Because he was—— He is not here and I don't want to attack him; he was a drunkard and loafer. That is the truth of it.

Senator DAVIS. Mr. Seymour, I show you a photograph of what purports to be an order, already in evidence in this investigation [handing it to the witness]. [After a pause.] Have you examined it?

Mr. SEYMOUR. I can not identify it.

Senator DAVIS. Have you examined the order?

Mr. SEYMOUR. I have.

Senator DAVIS. Did you ever see the original from which that photograph was made?

Mr. SEYMOUR. Never.

Senator LODGE. Did you ever execute any such order?

Mr. SEYMOUR. I decline to answer that.

Senator DAVIS. Do you know the signature of J. N. Camden?

Mr. SEYMOUR. No, sir; I do not.

Senator DAVIS. Do you know whether or not any such order—the original from which that photograph was made—was ever in the possession of your firm?

Mr. SEYMOUR. I do not.

Senator DAVIS. Do you know that it was not in the possession of your firm?

Mr. SEYMOUR. I do not know whether it was or not.

Senator DAVIS. One way or the other?

Mr. SEYMOUR. I could not identify it at all.

The CHAIRMAN. Is there any other member of your firm in town—in this town.

Mr. SEYMOUR. Mr. Fox.

The CHAIRMAN. Is he a member of your firm?

Mr. SEYMOUR. Yes, sir.

The CHAIRMAN. What is his business?

Mr. SEYMOUR. He is a member of our firm.

The CHAIRMAN. What part of the business does he attend to?

Mr. SEYMOUR. He assists in managing these offices.

The CHAIRMAN. Which? This one here in town?

Mr. SEYMOUR. Yes, sir; and in Baltimore. He is back and forth between those places.

The CHAIRMAN. You are the senior member of the firm?

Mr. SEYMOUR. I am the senior member of the firm.

The CHAIRMAN. You are 26 years old?

Mr. SEYMOUR. Yes, sir.

The CHAIRMAN. How old is the junior member?

Mr. SEYMOUR. He is 20, I think.

The CHAIRMAN. Have you taken any advice as to what you should say before this committee—any legal advice?

Mr. SEYMOUR. No. Do you mean consult a lawyer?

The CHAIRMAN. Yes, sir.

Mr. SEYMOUR. No, sir.

The CHAIRMAN. Have you consulted anybody else?

Mr. SEYMOUR. No, sir.

Senator DAVIS. Have you had any conversation with anybody on the subject of your testimony?

Mr. SEYMOUR, No, sir.

The CHAIRMAN. Will you state again your reasons for declining to answer the questions you have declined to answer?

Mr. SEYMOUR. I decline to answer that.

The CHAIRMAN. I say, will you state the reasons for declining to answer them?

Mr. SEYMOUR. I simply decline to state anything in relation to my business, that is all.

Senator DAVIS. If you never did any business of that kind for any Senator and the fact did not exist, why do you decline?

Mr. SEYMOUR. I decline to answer that. I will tell the committee that I would not believe Sanford W. Battershall under oath. He is a scoundrel, a liar, and a drunkard.

Senator DAVIS. Do you base your statement on your knowledge of his general reputation for truth and veracity.

Mr. SEYMOUR. He has no reputation for truth and veracity; absolutely none. In my opinion he is a common blackmailer.

The CHAIRMAN. The committee will consider what they will do in the matter of your declination to answer. It may be that they will have to report you to the grand jury and the district attorney, but we will consider that matter. I want to give you notice of what the consequences are.

Mr. SEYMOUR. Can I go back home, or will I have to stay here in Washington?

The CHAIRMAN. Oh, you need not stay here.

A copy of the subpœna by which said witness was commanded to appear and testify before the committee at the time and place aforesaid, together with a copy of the certificate of service thereof, is hereto attached and marked Exhibit A.

EXHIBIT A.

UNITED STATES OF AMERICA,
Congress of the United States:

To ALLAN L. SEYMOUR, of Seymour Bros. & Young, N. Y. City, residence, East Orange, New Jersey, greeting:

Pursuant to lawful authority, you are hereby commanded to appear forthwith before the special committee of the Senate of the United States to investigate attempts at bribery, etc., at the room of the Committee on Privileges and Elections, then and there to testify what you may know relative to the subject-matters under consideration by said committee.

Hereof fail not, as you will answer your default under the pains and penalties in such cases made and provided.

To Richard J. Bright, Sergeant-at-Arms of the Senate of the United States, to serve and return.

Given under my hand, by order of the committee, this 23d day of July, in the year of our Lord one thousand eight hundred and ninety-four.

GEO. GRAY,
Chairman Special Committee.

WASHINGTON, D. C., *July 25, 1894.*

I made service of the within subpœna by telegram upon the within-named Allan L. Seymour, at No. 3 Exchange Court, New York City (which he accepted, and appeared), on the 25th day of July, 1894.

R. J. BRIGHT,
Sergeant-at-Arms, Senate of the U. S.

In the opinion of the committee each of the questions put to said witness was a proper question and pertinent to the question under inquiry before the committee, and was necessary to make the examination ordered by said resolution of the Senate, and that said witness is in contempt of the Senate and merits to be dealt with for his misconduct; and that said witness, by his various refusals to answer the questions as herein set forth, has violated the provisions of that certain

act of Congress in such cases made and provided, being chapter 7 of the Revised Statutes of the United States, which chapter is as follows:

SEC. 102, Rev. Stat. Every person who having been summoned as a witness by the authority of either House of Congress to give testimony or to produce papers upon any matter under inquiry before either House or any committee of either House of Congress, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the question under inquiry, shall be deemed guilty of a misdemeanor, punishable by a fine of not more than one thousand dollars nor less than one hundred dollars, and imprisonment in a common jail for not less than one month nor more than twelve months.

SEC. 103. No witness is privileged to refuse to testify to any fact or to produce any paper respecting which he shall be examined by either House of Congress or by any committee of either House, upon the ground that his testimony to such fact or his production of such paper may tend to disgrace him or otherwise render him infamous.

SEC. 104. Whenever a witness summoned, as mentioned in section one hundred and two, fails to testify, and the facts are reported to either House, the President of the Senate or the Speaker of the House, as the case may be, shall certify the fact under the seal of the Senate or House to the district attorney for the District of Columbia, whose duty it shall be to bring the matter before the grand jury for their action.

Wherefore, the committee report to the Senate to the end that the President of the Senate may certify as to said witness his aforesaid failure to testify and his aforesaid refusals to answer, and all the facts herein, under the seal of the Senate, to the U. S. district attorney for the District of Columbia, and order that said witness may be proceeded against in manner and form provided by law.

ADDITIONAL VIEWS OF MR. ALLEN, OF THE COMMITTEE.

In addition to the above recommendation of the committee regarding the witness Allen Lewis Seymour, I have to say that I think he ought to be brought to the bar of the Senate and be required to there purge himself of the contempt of which he is guilty, or be summarily punished for refusing to do so.

I therefore recommend the adoption of the following resolution by the Senate:

Whereas Allen Lewis Seymour, a witness, was heretofore duly summoned by a select committee of the Senate, and, being lawfully required to testify before said committee, has, as appears by the report of said committee, refused to answer pertinent and material questions propounded to him by said committee: Therefore,

Resolved, That the President of the Senate issue his warrant in due form, under his hand and the seal of the Senate, directed to the Sergeant-at-Arms of the Senate, commanding him forthwith to arrest and bring to the bar of the Senate the body of said Allen Lewis Seymour, to show cause why he should not be punished for contempt, and in the meantime to keep the said Seymour in custody to await the further order of the Senate.

Respectfully submitted.

APPENDIX H.

On or after January first, eighteen hundred and ninety-five, there shall be levied and collected on all sugars *not above number 16, Dutch standard in color, and on all* tank bottoms, sirups of cane juice or of beet juice, melada, concentrated melada, concrete and concentrated molasses a duty of forty per cent ad valorem, and upon all sugars above No. 16, Dutch standard in color, there shall be levied and collected a duty of ~~one eighth of one cent per pound in addition to the said duty of forty per cent ad valorem: *Provided*, That~~ *forty-five per cent ad valorem; and* all sugars, tank bottoms, sirups of cane juice or of beet juice, melada, concentrated melada, concrete or concentrated molasses, which is imported from, or is the product of, any country which at the time the same is exported therefrom pays, directly or indirectly, a bounty on the export thereof, shall pay a duty of one-tenth of one cent per pound in addition to the foregoing rates: *Provided, That nothing herein contained shall be so construed as to abrogate or in any manner impair or affect the provisions of the treaty of commercial reciprocity concluded between the United States and the King of the Hawaiian Islands on the 30 day of Jan'y, 1875, or the provisions of any act of Congress heretofore passed for the execution of the same.*

APPENDIX I.

On July 17 the following telegram was, by direction of the special committee, sent to the managing editor of the New York Herald, viz:

SPECIAL COMMITTEE TO INVESTIGATE
ATTEMPTS AT BRIBERY, ETC., U. S. SENATE,
Washington, D. C., July 17, 1894.

MANAGING EDITOR HERALD,
New York City:

Will you furnish to this committee the name and address of the writer of the article in your issue of this morning, headed "Senators Buy Sugar," and also the names and addresses of the other persons alluded to therein, together with any information in your possession substantiating the statements made in said article?

GEORGE GRAY,
Chairman Special Committee.

In reply to the foregoing dispatch the following letter was received:

THE NEW YORK HERALD,
New York, July 19, 1894.

DEAR SIR: In reply to your dispatch of this date I desire to state that the name of the reporter who wrote the article in the Herald of July 17, in reference to the action of certain Senators in the matter of the sugar schedule, is Henry Rood, who can be communicated with at the Herald Office.

Very truly,

JAMES GORDON BENNETT.

GEORGE GRAY, Esq.,
Chairman Special Investigating Committee,
U. S. Senate, Washington, D. C.

On receipt of the foregoing letter the following dispatch, by direction of the special committee, was sent to Mr. Rood:

HENRY ROOD,
Herald Office, New York City:

You are requested to appear before the Special Committee of Investigation of the U. S. Senate to-morrow (Saturday) morning at 11 o'clock, and to consider this as a subpœna. All your expenses will be paid.

GEO. GRAY,
Chairman Special Committee.

A dispatch was received from Mr. Rood in reply to the foregoing saying that he would appear as requested (*see* testimony p. 560).

APPENDIX J.

Buy me 200 shs Sugar—at 83¾ or less—and 300 shs 83½ or less—

J N CAMDEN
Mar 2

APPENDIX K.

The following dispatch, by direction of the committee, was sent on July 21 to Hon. William Pitt Kellogg, Queen's Hotel, Toronto, Canada:

"Your name has been connected in testimony before the Senate special committee as implicating Senators with sugar speculations. Your attendance before said committee is requested for one day. Please answer.

"GEO. GRAY,
"*Chairman Special Committee.*"

The following reply was received on July 25:

"TORONTO, ONTARIO.

"Hon. GEORGE GRAY,
"*Chairman Senate Committee, Washington, D. C.:*

"I came to this city to-day to procure my mail. Regarding your telegram of several days since, I desire with great respect for yourself and the special committee to say that I am in this part of the country on my usual summer vacation here, having left Washington only last week unwell and in order to avoid the heat. Were I in Washington, however, I am quite sure that I would be of no service whatever to your committee.

"W. P. KELLOGG."

APPENDIX L.

U. S. SENATE,
Washington, D. C., July 27, 1894.

SIR: After having been handed the subpœna to serve on Samuel G. Battershall, I immediately went to New York to carry out your instructions, namely, to find and serve said subpœna on Mr. Battershall. I went to the firms of Seymour Bros. & Young and W. B. Wheeler & Co., and was unable through them to find even an intimation of a trace of Mr. Battershall. Neither could I through several other persons on the Stock Exchange or through anyone that I could find that was familiar with his haunts.

I then proceeded to Larchmont Manor, Westchester County, N. Y., and saw his wife (Mrs. Battershall) at the Bellvidere Hotel, and found her nervously prostrated in bed. She informed me positively that she knew nothing whatever of her husband's present whereabouts, and, further, that she knew nothing relating to why he was wanted to appear before the special committee, remarking that the newspaper notoriety and scandal (as she termed it) given her husband had disgraced her; that her husband was made a scapegoat of, and that she was satisfied that it would be a long time before he put in his appearance, or before she would know where he was.

I am satisfied that Mr. Battershall can not be found.

Very respectfully,

B. W. LAYTON.

Col. R. J. BRIGHT,
Sergeant-at-Arms, U. S. Senate.

UNITED STATES OF AMERICA,
Congress of the United States:

To Samuel G. Battershaw, or Samuel G. Battershall, N. Y. City, greeting:

Pursuant to lawful authority, you are hereby commanded to appear forthwith before the special committee of the Senate of the United States, to investigate attempts at bribery, etc., at the room of the Committee on Privileges and Elections, then and there to testify what you may know relative to the subject-matter under consideration by said committee.

Hereof fail not, as you will answer your default under the pains and penalties in such cases made and provided.

To Richard J. Bright, Sergeant-at-Arms of the Senate of the United States, to serve and return.

Given under my hand, by order of the committee, this 23d day of July, in the year of our Lord one thousand eight hundred and ninety-four.

GEO. GRAY,
Chairman *Special Committee*

SENATE OF THE UNITED STATES,
Office of the Sergeant-at-Arms.

I do appoint and hereby empower B. W. Layton to serve this subpœna and to exercise all the authority in relation thereto with which I am vested by the within order.

R. J. BRIGHT,
Sergeant-at-Arms of the Senate of the United States.

WASHINGTON, D. C., *July 27, 1894.*

Having exhausted every resource provided by law in endeavoring to serve this subpœna, I have to report that the within-named Battershall can not be found. I attach hereto as part of this return the report of B. W. Layton, Deputy Sergeant-at-Arms.

R. J. BRIGHT,
Sergeant-at-Arms, Senate of the U. S.

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Camden, Johnson N., Senator from West Virginia, testimony of—Continued. and Havemeyer to meet the evening before, but Jones found he could not be there; Havemeyer called for few minutes and was informed he could see Jones next morning, and left without any conversation with Camden about sugar, 519; was not member of the Finance Committee and did not seek to impress any views upon any member of the committee, 520; had several talks with Louisiana Senators and urged necessity of amicable arrangement, 520; has no interest in sugar, 520; rarely deals in stock of any kind and has not speculated or been interested in sugar stock, directly or indirectly, during this session, 520; answers remaining formal questions, 520,521; by representatives of sugar-producing interest whose votes it was necessary to obtain he means Louisiana Senators and one or both of California Senators, who contended for a tariff on sugar, 521; perhaps should not have used expression "sugar-refining interests whose vote it was necessary to obtain," but meant to refer to the Senators who claimed there should be a modification of sugar schedule, among whom were Murphy, Smith, Hill, perhaps Brice and Gorman, and others, who did not especially demand protection to the sugar-refining interest, but merely as one of a group of modifications, but does not pretend to speak with personal knowledge or know anything about what they would have done, 521, 522; impression is that conference between Searles and Jones was in room of Committee on Public Printing or Jones's committee room, 522; no one else was present; he went in and found Searles and Jones in the inner room, 522; this was three or four days before Havemeyer came from New York, 522; Havemeyer came between time bill was reported to Senate and time amendments were reported, 522; doesn't know how long before conference at his rooms Havemeyer came from New York, 522; thinks at the time he counseled Louisiana Senators to make concessions they were demanding a specific duty of 1¼ cents—as far as he knows the refining interests were in favor of ad valorem duty all the time, and for a time the producing interests were willing, but wanted a higher ad valorem, 523; Havemeyer fully explained to Jones his reasons for preferring ad valorem, and his strong point was his objection to the specific duty, his explanation of which Camden gives, 523; his advice to Louisiana Senators was not that they should accede to an ad valorem duty, but that a common point should be reached in some way; knew little about sugar schedule and did not know whether it should be specific or ad valorem, and if question of ad valorem was discussed at all it was merely incidental, 523; does not know of his own knowledge if Havemeyer or any other sugar-trust man had any conference with either of Louisiana Senators, 523; he did not state to Louisiana Senators or any others what Havemeyer's views were; merely had conversations with Caffery and White in Senate Chamber, and they told him their difficulties; one was the disagreement between refining and producing interests as to extent of duty and its form—they preferred a specific duty, and if they had to take ad valorem they wanted higher duties; it was understood refining interest did not care what rate was so it was ad valorem, and producers wanted not less than 45 per cent.

(Recalled and testified July 31, 601.) Chairman makes statement as to certain allegations and statements in New York Herald of July 17, and as to testimony of Emile Guillaudeu as to an order for purchase of sugar stock alleged to have been signed by witness, 601; further statement that said alleged order had been destroyed, but a photograph of same had been produced before committee by one Levy and put in evidence, 601; said photograph handed witness, who stated that he had examined it, 601; witness states that said photograph is made upon white paper, while the original, as witness understands, is claimed to have been written on back of a dirty or discolored envelope, 601; impossible to judge from photograph appearance and peculiar characteristics of what is represented to have been the original, 601; has no recollection of ever having made or delivered any such memorandum to any person, or that any such order was ever executed for him, 601; witness therefore pronounces, in his judgment, said photograph as being a fictitious or forged paper, which did not emanate from him, 601; in judgment of witness said photograph is not from an original paper written or signed by him, 601; signature has some resemblance, as all imitations must, but it is not the usual signature of witness, 601; body of the order is less like handwriting of witness than signature, 601; has no recollection of

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Camden, Johnson N., Senator from West Virginia, testimony of—Continued. ever having written or subscribed to such an order, 601; witness states positively that in his judgment he did not write or subscribe to said order, 602; has no recollection of having bought or sold the amount of sugar stock called for by said order, 602; has not to his recollection dealt in sugar stock during the present session, 602; has dealt in various stocks during present session, but not in sugar stocks, 602; referring to testimony of witness on June 18 as to purchase or sale of sugar stocks during the present session, witness replies that he stands upon said statement, 602; has no recollection of buying or selling sugar stocks during present session, and has no statement from his brokers of stock transactions within last six months, 602; statement as to details of stock transactions, 602; has seen a man by the name of Battershaw, but would not know him now, 602; had one transaction with Battershaw, and that was an order for 5,000 or 10,000 bushels of Chicago wheat, 602; that is only transaction ever had with and the only time witness ever spoke to him, 603; does not know where Battershaw lives, 603; heard of existence of this order through a personal friend, who wrote there was such a rumor, to which witness replied, it was not possible that such an order existed, 603; in buying stocks, usually puts up margins, but sometimes does not, 603; accounts of witness do not show a margin for the transaction purporting to be evidenced by said order, 603; the fact that the order was written on an envelope in lead pencil and so signed, tends to confirm suspicion of witness that said order is spurious, 603; witness to the best of his knowledge and belief never had such a transaction with any broker, 603; can not so state positively, but can state so with as much positiveness as a man can say anything that he has no knowledge of, 604; such a matter would not be likely to escape his attention, 604; would be likely to recall such an order if he had ever given it, 604; such an order was not given on account of any pool or syndicate or association, 604; in other stock transactions was not in the habit of giving written orders, but may have done so in some cases, 604; does not recollect of any such case, 604; has made inquiries with the view of trying to find Battershaw and bringing him before this committee, 604; witness repeats that paper exhibited is a copy of a fictitious or forged paper, 604; explains differences in respect to the photograph and his writing and signature, 604; further statement as to same, 605; states positively that Battershaw never received any such order, or any other written order, for him, 605.

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Testimony of, abstract of. Testifies May 31, 1894.

Was absent from Washington from May 13 until May 24, and this is the first time he had heard publications of "Holland" read, 188, 189; never made secret visit to rooms of Committee on Finance and Ways and Means, 189; no recollection of seeing Finance Committee in February, 189; never appeared before subcommittee but once without request, 189; alleged statements made by him, either to committee or subcommittee or anybody, are untrue, 189; never made statements that sugar trust had made contributions to campaign fund of Democratic party, 189; said trust, from statement of a member of campaign committee, never made such contributions, 189; statement of interview May 5 with Senator Jones, of Arkansas, as to sugar schedule, at his (Carlisle's) residence, 189, 190; dictated paragraph of same to stenographer, 190; discovered omission and sent telegram to Senator Jones, and appointing hour of meeting at Capitol, 190; said telegram was sent in response to request of committee to bring proposed amendment, 190; met some members of Finance Committee and others in small room of Committee on Appropriations, 190; discussion of sugar schedule, 191; clause as to Hawaiian treaty discussed, 191, 192; change of dates as to duty taking effect, 192; calls at Senator Jones's house on Sunday morning to point out discrepancy, 192; the Senator at Capitol, where the Secretary goes, 192; names persons present, 192; amendment discussed and abandoned, 193; handed amendment to Senator Jones and have not seen it since, 193; first amendment made part ad valorem and part specific duties, 193; second amendment, by interlineations, made all ad valorem, 193; thinks ad valorem duties were advocated by refining interests, 193; talked with refiners and planters as well as persons representing all interests involved in

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Carlisle, John G., Secretary of the Treasury—Continued.
the tariff bill, 193; saw Mr. Searles, Mr. H. O. Havemeyer, and Mr. Henry R. Reed, and talked in general way about the tariff and sugar duties, 194; gives Mr. Havemeyer letter of introduction to Senator Mills, 194; as Secretary of the Treasury would not hesitate to make such suggestions as he deemed proper in regard to tariff bill, 194; many provisions in pending bill originated in Treasury Department, 194; if hereafter called on by Finance Committee, shall assist in preparation of the bill, 194; was member of Ways and Means Committee of House of Representatives about six years, and two years member of Finance Committee of the Senate, and Treasury Department, or Secretary, was constantly called on for information and assistance, 195; further statement as to amendment prepared at Senator Jones's request and handed him, 195; said amendment prepared in accordance with request of Senator Jones, 195; further details as to same 196; no knowledge of contributions by sugar trust to Democratic, or any other campaign fund, 196; no representative of "sugar trust" ever indicated to him that the Democratic party was under obligations to said "trust," 196; representatives of sugar interests appeared before Ways and Means Committee when the Morrison, Mills, and McKinley bills were pending, 196; statement as to persons present when he appeared before Subcommittee of Finance Committee, 196; knows nothing about meeting of representatives of sugar trust and cer tain Senators at the Capitol on Sunday, 197; on his visit to Capitol on said Sunday did not see any representatives of sugar trust or Senator Caffery or any other Senators passing about, 197; saw nobody except m embers of Subcommittee on Finance and other persons already named, 197; did not expect to see anybody, save Senator Jones, 197; has had no communication whatever, directly or indirectly, with any member of special committee, 197; came in response to telephone message received a few moments ago, 197; has had no communication with anybody who has been before special committee, Senator or other person, 198; has not seen any of the testimony taken except as published in the newspapers, and only a small portion of that, 198; statement of "Holland" in the Press publication incorrect; no such thing ever occurred, 198; was never asked by subcommittee to do anything with regard to sugar schedule except on one occasion already stated, 198; was before Subcommittee on Finance once while Senator Mills was serving on it, but sugar schedule was not discussed; conversation was of a general character, as to the strength of the bill in the Senate, etc., 198.

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Paragraph in "Holland" letter in Philadelphia Press of May 14 (read to witness by Senator Lodge), as to the four hundred odd amendments reported from Senate Finance, being in hands of a member of said firm, is not correct as to himself, 261; has no knowledge that any member of said firm, or an employé, had list of said amendments, 262; said firm, at times, have done business for Senator Brice, 262; additional paragraph from "Holland" letter, as to large purchases of sugar by Senator Brice's brokers, read to witness (262), to which witness responded by asking time to consult counsel, 262; witness desired legal advice as to right of special committee to inquire into business of his firm, 262; renews request for postponement of hearing, in order to consult counsel, 263; letter from Senator Brice to chairman of special committee, dated June 8, 1894 (263), stating that all brokers or other witnesses are authorized and requested to answer as to any transactions of his in sugar or other industrial stocks since March 4, 1891, read to witness, 263; witness further requests opportunity to consult counsel before answering, in order to have definitely settled the general principles upon which answers to questions shall be made, 265. (Witness excused, and requested to appear the following morning).

(Saturday, June 9: Mr. Chapman appears and testimony resumed, 268.) Firm of Moore & Schley have bought and sold large quantities of stock of American Sugar Refining Company during pendency of tariff bill, 268; in response to question of chairman as to whether any Senators of the United States were interested either directly or indirectly in such transaction during the pendency or consideration of present tariff bill, witness declines to answer any question relating to the business of the firm of Moore & Schley, of which he is a partner, 268, 269; states grounds of such declination, 269; declines to answer question of Senator Davis whether

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firm of Moore & Schley during the months of March, April, May, and June bought or sold any sugar stocks for or in the interest, direct or indirect, of any United States Senator, 269, 270; declines to answer question whether said firm is carrying any sugar stock for the benefit of or in the interest, direct or indirect, of any United States Senator, 270; witness's attention has been called to and he has considered sections 102, 103, and 104 of the Revised Statutes of the United States, 270; after reading said sections witness still declines to answer said questions, 270; witness makes statement in relation to letter of Senator Brice, 270; witness departs from decision aforesaid so far as to state that Senator Brice, since becoming a member of the Senate, has not bought or sold through firm of Moore & Schley, either directly or indirectly, a share of stock of the American Sugar Refining Company or of any industrial company dealt in or listed on the New York Stock Exchange, 270; have not bought or sold a share of such stock for any clerk, agent, or employé, or other person, connected in any way with the affairs of Senator Brice, or in the name of any member of his family,2 70; witness makes this statement only on direct written request of Senator read in his presence, 270; serves notice that whether requested to do so or not by any customer of his firm, whether a United States Senator or not, he will decline to answer any question as to the principal in any transaction with his firm in the stock of the American Sugar Refining Company or any other stock, 270; statement as to grounds of declination, 270. (The said sections Revised Statutes were read to witness by Senator Allen, with added statement that Senate had full power, where a witness refuses to answer a question pertinent to the subject under consideration by the committee, to bring such witness to the bar of the Senate and require him to answer or inflict punishment upon him until he did answer, for contempt of its right to inquire, 271.) In response to question of Senator Allen if, in view of said law and the additional statement made as to the power of the Senate to punish for contempt, he still declined to answer, witness replied in the affirmative, 272; statement of grounds of refusal to answer, 188; denies right of committee to ask said questions, 272; Senator Allen having asked witness—naming each member of the Senate—if any member of the Senate since February 1, 1894, had, through the said firm of Moore & Schley, purchased or sold sugar stock during which period the tariff bill had been under consideration in the Senate, witness declines to answer same in respect to each and every member of the Senate, 272-279; makes statement as to why exception was made in favor of Senator Brice, 279; Senator Davis having added "a positive denial of any dealings, directly or indirectly, at any time, in any form or manner, in any of the so-called sugar stocks, again requested and insisted that you (witness) answer as to me," witness requested time to think over said request before deciding whether or not to accede to said request, 280; Senators Allen, Lodge, and Gray (the chairman) made the same statement and request as to themselves, Senator Gray making the same statement and request on behalf of Senator Lindsay (then absent), to which witness made same request that time be given him to consider said requests, 280; answers questions as to giving same effect and force given written request of Senator Brice, 280; witness took responsibility of answering as to Senator Brice without consulting his partners 280; would not have answered the question in regard to Senator Brice if he had thought he would be asked the same question in regard to every other Senator, 280, 281; declines to answer questions of Senator Davis as to effect of previous answer, 281; declines to answer question as to names of Senators with whom he had conversed, 281; gives further reasons for declining to give names of Senators, 281; declines to answer question if he had had any conversation with any Senator on any subject after his dismissal yesterday and return this morning, 281; further declines to answer questions in same line, 281; have received communications from his firm since dismissal yesterday, giving instructions as to his conduct as a witness, 281, 282; declines to produce same, 282; gives reasons for such declination, 282; have met Mr. Macartney since yesterday and talked with him in regard to this investigation, 283; makes statement as to distinction made between Senators and Mr. Macartney, 283, 284; desires further time as to answering questions as to each member of the committee separately, 284; (Senator Davis having moved—which motion was adopted—that the witness be required to answer forthwith) wit-

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ness made statement and further declined to answer, 285; further declines to answer as to meeting or conversing with Senators, 285; knows of no organized attempt to suppress the names of all Senators who are alleged to have been speculating in sugar stocks, 285; further declines to repeat conversations with Mr. Macartney or other persons, 285, 286; witness is board member of the firm of Moore & Schley, 286; does not know that any Senator is a member of stock exchange, 286; has had no written communication in any form, dispatch, letter, note, or memorandum, from any United States Senator bearing on this investigation or having relation to it, 287; denies right of committee to ask question, 287; declines to answer questions in regard thereto, 287; declines to answer question whether any persons in service of the United States as officers, outside of United States Senators, are engaged in dealing in sugar stocks through firm of Moore & Schley, 287.
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Has read New York Herald article of Tuesday, July 17, headed "Senators Buy Sugar," 553; reporter called on witness as to an order executed by said firm and was refused any information, 555; sent facts to a friend in Washington, and asked him to show dispatch to Senator Camden's friends, 555; purport of said statement was that said firm never had order from Senator Camden or any other Senator, 556; was manager of Washington branch of Wheeler & Co. last spring, and never saw or heard of order for purchase or sale of sugar stock from any United States Senator, 556; knows nothing as to truth or falsity of allegations in the Herald article, 556; never made a statement to the effect contained in said article, 556; does not know or suspect who said "informant" is, 556, 557; all stock operations of Wheeler & Co. through Washington branch would have been known to witness, 557; Wheeler takes no active part in purchase or sale of stocks, 557; knows of no transaction by purchase or sale of sugar stock by any United States Senator through the New York house of Wheeler & Co. or its Washington branch, 557.
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paign subscription by sugar-trust for Democratic party. 80, 81; as to draft of sugar schedule in Secretary Carlisle's handwriting. 81; details of same, 81; as to political influences in Western States exerted by sugar trust, 81; gathering of sugar-trust officers and managers in Washington, Senators Brice and Smith being present, 81; anger and remarks of Mr. H. O. Havemeyer, 81; same continued, 82; advance of sugar 30 points if schedule satisfactory to sugar trust was made, 82; as to Senator Voorhees's denial of amendments to be proposed by Finance Committee, 82; as to list of 400 amendments prepared by Senator Jones, then being in hands of a member of firm of Moore & Schley, 82; as to Senator Brice's brokers having a copy of amended bill not known to Senator Voorhees, 82; as to statement of Senator Vest in Finance Committee room, 82; as to surprise of Senator Mills and others, 82; as to Joe Rickey, 82; as to domination of sugar trust over Democratic members of Finance Committee, 82; as to meeting of Democratic members of Finance Committee on Sunday in Capitol, 83; as to sugar-trust representatives being in a room near by, 83; as to communications between two rooms, 83; as to final draft of sugar schedule by Senator Caffery, 83; as to transmission of same to Finance Committee room, 83; as to Standard Oil interests, 83; as to combination of various trusts, 83; as to income tax, 83; as to failure of woolen interest to be protected, 83; as to date of taking effect, 83; as to amount of money to be realized under proposed schedule by sugar trust, 84; as to foreign sugars, 84; as to calling in of loans by sugar trust to obtain gold for export to purchase this season's crop, 84; as to relations of sugar trust to Democratic party and its tariff measure, 84.

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Am writer of the article or letter in the Press of May 14, 1894, signed "Holland," 85; chairman reads paragraph from said letter (p. 85) in regard to meeting between Mr. Benedict, Mr. Havemeyer, Mr. Cleveland, and two or three others, either in Greenwich or on Mr. Benedict's yacht, in summer of 1892, and discussion of Hawaiian policy, 85; witness states that he was confused as to dates, and that said meeting and conversation occurred in 1893 instead of 1892, 86; makes statement as to sources of information of assertions in said letter, 86; information obtained from H. W. R. Hoyt, of Greenwich, counsel for Mr. H. O. Havemeyer, 86; statement as to details given in said letter, 86, 87; chairman reads extract from said letter as to "understanding" between Mr. Cleveland and his friends in respect to the "Hawaiian incident," and witness replies that "those understandings were conjectural," 88; founded on statement of Don Dickinson, in January, 1893, made in New York City, as to commission to Hawaii, 88; paragraph from letter read as to Lakewood meeting, and witness replies that Mr. Lamont, Mr. Dickinson, and Mr. Straus were present, 88,89; could not remember sources of information therein stated, 89; can not state all sources, but it was the common impression on Wall street, growing out of the immense interest of Mr. Spreckles and his associate, Mr. Charles Nordhoff, 89,90; sugar people were interested in preventing establishment of Provisional Government, 90; statement as to visit of Mr. Villard from Lakewood to Washington to prevent action on the Foster treaty, 90; information obtained from New York World, 90; as to appointment of Mr. Blount, 90; as to statement in letter of announcement of President Cleveland to Secretary Gresham of his Hawaiian policy, 91; can not recollect sources of information by reason of having talked with so many people about it, 91; have not talked with Col. Hoyt since being summoned as a witness, as that gentleman died about a month ago, 91; had proof, however, as to that point from a living witness, 92; extract read from letter as to campaign contributions, 92; witness makes statement as to same and says he was told that Mr. Searles stated in presence of Representative Belden, of New York, that the sugar trust "had given $250,000 or $300,000 to the Democratic campaign," 92; that information was obtained from same member of National Republican Committee, 92; certain pledges were given at Victoria Hotel conference, 93; details of said conference were open to all newspaper men who were investigating the subject, 93; can not give names of precise individuals present, but mentions several, 93; further statements as to said "conference," 93; extracts from letter read as to meeting between Mr. Whitney, Mr. Gorman, Mr. Brice, and representatives of sugar trust, 94; statement as to same,

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94; extract from letter as to "Brice Terrell" read, and witness states that the "agency" therein referred to was Stephen B. Elkins, 94; statement as to relations between Mr. Gorman and Mr. Elkins, and their relations with sugar trust, 94, 95; details of conversation with Col. Hoyt as to campaign contributions by sugar trust, 95; extract read "that there would be no legislation at the hands of the Democracy which should be antagonistic to the interests of the sugar people," 96; that paragraph justified by said campaign contributions of sugar trust, 96; refers to statement of ex-Governor Waller, of Connecticut, under oath, before an investigating committee of the Connecticut legislature, that the Central State Democratic committee handled over $100,000 at the last election, 96; sugar people were contributing because they were afraid of anti-trust legislation, 96; sugar trust people expected to be protected by such contributions and quotes Col. Hoyt as authority, 96; has no direct personal knowledge on that subject, 97; as to withdrawal of Colorado Democratic electoral ticket after contributions by sugar trust to a committee of Colorado Democrats, 97; details as to persons so contributing, 97, 98; references to Mr. Elkins, Mr. Sage, and Mr. Meyer, 98; extracts read as to information obtained by a member of the trust from the White House while bill was pending in the chamber, of which Senators Vest, Jones, and Mills alone had the key, 99; quotes extract fnom Harper's Weekly, 99; had heard that Secretry Carlisle asked Assistant Secretary Hamlin "to have a very accurate and carefnl schedule passed of the relations of sugar to the tariff bill," 100; statement as to meaning of phrase "political pressure," in letter, 100; as to action taken by Secretary Carlisle, 100; letters of introduction given by the Secretary to Mr. Havemeyer to certain Senators, 100; the Wilson bill had harmed sugar trust, which appealed to President Cleveland, 101; details as to conversation, 101; as to expressions by President Cleveland of annoyance about action of Senate subcommittee, 101; extract from letter read as to representations made by Senator Brice to the President that the "three trans-Mississippi Senators, who had charge of the bill, were dermined to make sugar of all sorts absolutely free, 102; extract read as to Senator McPherson's angry expressions in Finance Committee room, 102; that story current in New York, 102; gives authority for such statements, 102; extract from letter read as to visit of Secretary Carlisle to Finance Committee room when only Democratic members were present and statements he made to them, 102, 103; declines to give name of informant, 103; details as to informant and conversation and obligation of confidence imposed, 103; further declines to answer questions as to name of informant, 103, 104, 105; extract from letter giving alleged statement of Secretary Carlise to said members of Finance Committee, 106; instructions from editor of Press where to go for information, 105, 106. (Recess taken to give witness an opportunity to consult counsel, 107.) Attorney for witness (Judge Dittenhoefer) absent, and further time asked for consultation, 107; further reference to "plea" of Secretary Carlisle to Democratic members of Finance Committee quoted from letter, 107; as to erasures from and interlineations made in original printed schedule by Secretary Carlisle, 107; statements of witness as to same, 108; extract from letter as to meeting in a Washington hotel of Senators Brice and Smith with Mr. H. O. Havemeyer, "Brice's Terrell," and an "unknown," 108; authority for such statement, 108; additional extracts from letter read and statements as to same, 108; as to 400 amendments prepared by Senator Jones being in the hands of a member of firm of Moore & Schley, 109; statements as to same, 110; extract from letter as to Sunday meeting of Democratic members of Finance Committee with certain representatives of sugar trust, 110; authority for such statement, 110; further statements as to same, 111, 112; as to Secretary Carlisle's memorandum, 113; witness reappears May 25 with counsel (Judge Dittenhoefer), who makes statement to committee, 132, 133; declines to give name of person who gave information on which was based paragraph as to Secretary Carlisle's secret visit to the Democratic members of the Finance Committee, 133; declines also with respect to meeting of Senators Brice and Smith with representatives of sugar trust in a Washington hotel, 133; declines also with respect to 400 amendments in hands of a member of the firm of Moore & Schley, 134; declines generally to give name of person who gave information on which was predicated numerous paragraphs in his letter of May 14, 134,

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135; further declines to give information, 135; statements as to sources of information, 135; asks to be and is excused, 135, 136.
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Answers formal interrogatories, 524, 525; knows Terrell very well; known him five or six years; had three or four interviews with him on sugar during pendency of tariff bill in Senate; can not say when Terrell first came, but saw him first before first report of Finance Committee, when Terrell called at his house and talked about sugar and other matters; said injustice was done by bill as it came from House in that the discrimination against refiners would destroy industry, and advocated a return to free raw and one-fourth cent a pound on refined, as reported by House Ways and Means Committee, 525; did not then discuss specific *v.* ad valorem, 525, 526; can not exactly recall interviews, but thinks he met him once accidentally, and knows Terrell called once at the Capitol or his house, and endeavored to show specific duty on raw as agreed upon by Finance Committee was unfair and disastrous to refining industry, 526; H. O. Havemeyer, whom he had never seen before, called upon him at his house a few days after Democratic caucus, endeavored to show that refiners had been unfairly dealt with, and they ought to have one-fourth cent a pound on refined, and that any other than ad valorem on raw would operate unjustly, but did not advocate any duty on raw, and referred to bill as reported to House, objected strenuously to specific duty, 526, 527; did not have samples then, and does not think he ever showed him samples, 527; Havemeyer called at his house again and went over substantially same thing, 527; no one else was present on either occasion, 527; Havemeyer said nothing about campaign contributions, nor did he, 527; known Searles since tariff bill of 1883 was up; understood he was here in the interest of sugar; talked with him then and frequently since, 528; can not say that Searles has been here continuously since bill came from House, but has seen him three or four times on street and about Capitol, 528; after caucus, and four days or a week before bill was reported, saw him in committee room (Printing, probably), with Jones and Camden, on a week day, and

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Searles and Jones discussed figures to ascertain the effect of 40 per cent and one-eighth differential, but differed as to cost of raw sugars on other side; Searles advocated ad valorem duty and tried to convince Jones specific duty was wrong and disastrous, 528, 529; never attended meeting in Finance Committee room on Sunday, and never heard of it excepti in newspapers, 528; met Searles on street once afterwards and Searles spoke to him on the street probably half dozen times, but there was no special interview, 529; Gorman favored ad valorem rate, 529; Havemeyer, Searles, or anyone connected with sugar trust, never intimated Democratic party was under obligation for contributions, and Gorman knows of no obligation of Democratic party to that company; never saw Havemeyer before, and, with exception of Searles, did not think he knew anybody connected with trust; knows of no contributions from either of them or from company, and knows of no moral or pecuniary obligation of Democratic party to those men; never knew of any contributions to Democratic committee while he was connected with it, 529, 530; consideration of sugar matter was upon highest possible plane, so far as he knows—on a line with the narrow margin the Democrats have in the Senate, to unite in perfecting and passing a bill that came as nearly as possible to the obligations of party, with due regard to the interest involved, careful not to destroy, and at the same time make the tax as light as possible, 530; no mercenary consideration in respect of sugar or any other article affected by tariff, 530; explains the use of his name in connection with Elkins's in "Holland" letter and Edwards's testimony; Elkins married a second cousin of his, but never talked sugar with him or introduced him to sugar people; only business connection with Elkins is that Gorman is small stockholder and Elkins is a large one in two or three companies which have no relation to sugar, 531.

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Has seen New York Herald article of July 17, headed, "Senators Buy Sugar," 574; witness's firm has neither bought nor sold sugar stock for the account of any Senator of the United States, 574; witness would know if any such transaction was had, 574; knows Battershaw, who represented in Washington some New York house, 574; Battershaw tried to get employment with witness's firm, but was not employed, 574; witness has had communication with Battershaw in respect to a written order of a Senator to purchase sugar stock, 574; Battershaw asked witness to take possession of said order, which he did, 574; witness did not bring said paper with him for the reason that it was destroyed by witness on the day the Herald article was published, 574, 575; said paper purported to be an original order written in lead pencil, 575; particulars as to destruction of said order, 575; particulars and details as to said order, 575; said order was signed I. N. or J. N. Camden, and was dated March 2, 575; date was abbreviated M-c-h, 575; never saw Senator Camden

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or his handwriting, 575; Battershaw represented Seymour Bros. & Young, 576; details of conversation with Battershaw when he gave order to witness to keep for him, 576; witness inferred that Battershaw received said order from Senator Camden, 576; witness received said order from Battershaw last of May or first of June as near as he can remember, 577; details as to methods and customs of brokers as to orders, 577; the alleged Camden order being in Battershaw's possession made it a fair inference that the order was never executed, 577; at that time Battershaw was not connected with any firm, 577; further details of conversation with Battershaw as to said order, 577; said paper was handed witness after investigation had been ordered, 577; witness insisted on returning paper to Battershaw, who directed its destruction, 578; details and description of alleged order, 578; said order has been photographed, and witness destroyed a copy when he destroyed the original, 578; thinks Mr. Edward A. Levy, of 21 West Fiftieth street, New York City, has a copy, 579; said copy was given after publication of Herald article on July 17, 579; photograph of said order was made by William O. Allison, publisher, who lives on the Palisades, near Englewood, N. J., 579; Allison is a speculator in a small way, 580; witness stated to Allison existence of order, and Allison said it was an important paper and he could probably get considerable money for it, 580; witness brought Allison and Battershaw together and they held private conversation about the matter, 580; Allison thought $500 could be obtained for original, 580; said paper was then taken by Allison and photographed and then handed back to witness, 580; Allison recently stated he had no copy of same, 580; witness had tried to procure copy but failed, 581; Levy has a copy which he came into possession of through an irresponsible third person, 581; witness's firm never placed or billed during present session of Congress any orders to buy or sell sugar certificates for any United States Senator through any other firm of brokers, 581; extracts from witness's letter to Seip were shown and witness stated they were probably correct, 581; witness based his statement as to Senator Smith upon fact that Battershaw must have told him so at the time, 581; witness thinks from reading said extracts that Battershaw did so state at the time, 582; does not know Allison's purpose in having photograph made; knows nothing of copy being sent to member of conference committee, 582.

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Democratic campaign fund, 201; never had the slightest shadow of interest in sugar stocks or in any other stocks, 201; states questions propounded to Mr. Carlisle, 201; as to recommendations made by him, 201, 202; Mr. Carlisle never reminded the Democratic members of the committee of the obligations of the Democratic party to the sugar trust for campaign funds contributed, 202; Mr. Carlisle responded only to practical questions as to general policy and leading items of the bill, 202; answers formal interrogatories, 460.

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No truth in certain statements (read to him, *see* p. 311) appearing in a letter in Philadelphia Press of May 14, 1894, signed "Holland," 312; had no conversation in summer of 1892, after Mr. Cleveland's nomination, with Mr. E. C. Benedict on his yacht or at Greenwich about sugar interests as they were affected by situation in Hawaiian Islands, 312; no meeting with Mr. Cleveland, such as "Holland" describes, took place either in 1892 or 1893, 312; statements or suggestions of "Holland" that the so-called "sugar trust" was organized with reference to its influence on the Democratic and Republican parties are not true, 312; never exchanged a word with Mr. Cleveland or in his company, and never saw him, 312; would probably know him by his picture, 312; answers statement of "Holland" (read to him by the chairman, *see* p. 313) as to meeting of officers and managers of the "sugar trust" with Senators Brice and Smith and an "unknown" in a Washington hotel, that nothing was said at such interview as to obligations of the Democratic party to American Sugar Refining Company, 313; no such obligation exists, 313; statement of conversation at said meeting, 313; sent for his sample sugars showing different grades of raw sugars, exposed them on a table, and delivered a "lecture" to Senator Brice on the subject, 313; said "lecture" was an explanation showing the range of values of raw sugar; the indispensability of such grades for economic manufacture of refined sugar, processes of refining, etc., and how specific duties would affect the sugar-refining industry, 313; explains forms of duty and how the poor man's sugar would be discriminated against by the proposed schedule, resulting in a 60 per cent duty on low-grade sugar, and running down to 40 per cent on a high-grade sugar, 314; discrimination further illustrated, 314; Senator Smith came in afterward, 314; told latter he had been having a "wrangle" with Senator Brice about sugar, 314; witness said that Democratic party was put into power not to destroy any industry, but to take suitable and proper care of every industry, and that the selection of the sugar-refining industry of the United States for attack was infamous as a party proceeding, 314; statement as to Senator Brice's remark that Democratic party was disposed to be fair about the matter but did not appear to have anybody who would shoulder incubus of the sugar trust; that he (Brice) was not interested in it, as it was not an industry of his State, 314; further statement of Senator Brice that he wanted to do what was fair and right in the matter, and would like to hear a further exposition of the subject, 314; subsequently Mr. Henry R. Reed, of Boston, came in, but there was no further talk about sugar 315; did not say that tariff bill would be beaten if sugar did not get fair treatment, 315; did not call on Senator Smith to state what he was going to do to maintain the pledges of party leaders to the sugar men and secure a satisfactory schedule, 315; Senator Smith did not state that there was the consolation that if they could not secure the schedule they wanted they could defeat the bill, leaving the present law operative, 315; answers paragraph from "Holland's" letter (read to him by the chairman) as to "absolute domination of the sugar trust over the Democratic members of the Finance Committee," as shown by a Sunday meeting at the Capitol, when subcommittee of the Finance Committee was in session, and in another room the representatives of the sugar trust, etc. (*see* pp. 315 and 316); that there is not a word of truth therein, 316; was never in the Capitol on Sunday, 316; was never there when anything like what is described by "Holland" occurred, 316; never saw Senator Caffery draw a schedule, 316; nothing like the incident stated by "Holland" ever occurred to his (Havemeyer's) knowledge, 316; does not know Ben Le Fevre, 316; was at the Capitol with Terrell "idling around," 316; came to Washington early in March on "matters pertaining to the interests of the American Sugar Refining Company," 317; found

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on arrival that Senate Finance Committee had decided not to hear sugar-refining people, 317; applied to Senator Vest for a hearing, and was informed that no public hearings would be given, 317; witness then asked Senator Vest to give him a hearing at his house, to which the Senator assented, and witness exhibited his sugar samples and showed how indispensable it was to sugar-refining industry that if any duty was to be assessed on sugar it should be under the ad valorem, and not any uniform or specific rate, 317; opposed any duty on raw sugar whatever, 317; suggested that in case committee fixed a specific rate of 1 cent per pound that a corresponding rate ad valorem be fixed, 318; saw Senator Vest once afterward, after bill had been reported to the Senate, 318; argued with him that specific rate fixed in the Senate amendment discriminated against the lower grades of sugar, 318; never stated to Senator Vest in either interview that the Democratic party was indebted to the sugar interest, 318; never made any contribution to the campaign fund of the Democratic party in consideration of any legislative action, 318; the American Sugar Refining Company, or the sugar trust, never made any contributions of any kind to the campaign fund of the Democratic national committee, 318; witness never personally made a contribution founded on that or any other consideration, 318; saw Senator Jones, of Arkansas, at room of Senator Camden, 319; exhibited to Senator Jones his samples of sugar, raw and refined, showing the range of each and the range of price and quality, 319; made the same statement to Senator Jones he had made to Senators Brice and Vest, 319; further explains details to Senator Jones, 320; never talked with Senator Camden on thes ubject of sugar, 320; never said anything to Senator Jones about the indebtedness of the Democratic party to the sugar trust, 320; never saw Senator Jones afterward, 320; never met Senator Mills, 320; saw Senator Hill at his rooms, 320; saw Senators Brice, Smith, Jones, Vest, Caffery, and Gorman, 320, 321; called at Senator Brice's by invitation to see Senator Caffery, 321; explained to Senator Caffery substantially as to Senators Jones, Vest, and Brice, 321; urged upon Senator Caffery that it was to advantage of Louisiana to have ad valorem duty irrespective of rate, 321; no agreement made with Senator Caffery on that subject, 322; never saw Senator Hill or Gorman or any other Senator at Senator Brice's, 322; met Senator Hill at his room, at the Normandie, 322; went over the same subject with him and used the same arguments, adding that the sugar industry was employing a large number of men in his own State, and that he ought to take some interest in it, 322; never mentioned to Senator Hill any indebtedness of the Democratic party to the sugar trust or industry or individuals connected with it, 323; Senator Hill did not take any special interest in sugar industry, 323; at first interview he had the Peckham matter in hand and at second interview "he had the income tax on the brain, 323; met Senator Gorman at his house twice, 324; never mentioned to him the indebtedness of the Democratic party to sugar trust, 324; Senator Gorman expressed his surprise that there should be any discrimination such as witness pointed out and thought any classification of sugars should be free from that, 324; talked with Senator Smith at his hotel as to sugar industry, 325; Senator Smith was surprised at the discrimination against sugar industry, 325; has known Secretary Carlisle fifteen years, 325; saw Secretary Carlisle at his house to ascertain his views about the administration of an ad valorem duty on sugar, 326; the Secretary thought such a duty, which should be a moderate one, could be efficiently and honestly administered, 326; saw the Secretary once afterwards at Treasury and again at his house and discussed question of ad valorem duty on sugar, 326; never discussed or mentioned to Secretary the subject of indebtedness of Democratic party to sugar trust, 327; answers as to acquaintance and interviews with Senators Brice and Hill, 327; the "wrangle" with Senator Brice was after tariff bill, which put all sugars on the free list, had passed House, 328; answers questions as to grades and duties on sugar, 328; answers questions as to refining industry in foreign countries, 329; difference between plantation and refining interest explained, 329; sugar trust as distinguished from present corporation first organized in 1857, 329; that trust was reorganizing when McKinley bill passed in 1890, 330; certificates of sugar trust were first listed before 1890, 330; capital of trust was $50,000,000, 330; subsequently increased to $75,000,000 and bought the Spreckels and Harrison and Knight

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refinery in Philadelphia, 330; sugar stock just prior to reorganization in 1890 was selling at about 50 cents, 330, 331; during pendency of McKinley bill sugar stock varied from 50 to 65 cents, 331; think sugar stock went up in March, 1890, to 75 cents, 331; the variations in February and March were violent, 331; great advance in sugar stock after passage of McKinley law, 331; in April, 1892, it went up to 135 in New York, 331; sugar-refining interests suffered no detriment at hands of the McKinley law, 332; in 1891 and 1892 there was a dividend of 7 per cent on preferred and 12 per cent on common stock, and an additional dividend from accumulated earnings of 10 per cent on common stock, 332; payment of dividends depreciated sugar stock, 332; was not in Washington in 1890 during pendency of McKinley bill, 332; Theodore A. Havemeyer and John E. Searles, vice-president and treasurer, respectively, of American Sugar Refining Company, were here during that period, 333; answers questions as to organization of original sugar trust, decision of court of its illegality, and reorganization in 1891 in New Jersey, 333; names of refineries not embraced in decision, 333; names of companies now embraced in American Sugar Refining Company, 333; names of companies not so embraced, 334; last-named companies hold large quantities of American Sugar Refining Company's stock, 334; answers questions as to organization, capitalization, and management, 334, 335; American Sugar Refining Company controls the price and output of sugar in this country, 334, 335; said company destroyed competition by buying out other companies or bringing them into the sugar trust, 335; said company owns one-half stock of Western Sugar Refining Company, in San Francisco, and Spreckels the other half, 336; Spreckels was only a competitor of said company when he had a refinery in Philadelphia, 336; details as to markets of the two companies, 336, 337; American Sugar Refining Company fixes and maintains the prices of sugar in this country, 337; its rivals undersell them in some localities, 337; profits in three years about $25,000,000 by reason of consolidation, 338; have cheapened product of sugar to consumer by reason of consolidation, 338; said company has between 25,000 and 30,000 employés, 338; details of operating, etc., 338, 339; details of purchase of the Spreckels refinery in Philadelphia, 338, 339; no competition with Spreckels, 340; details as to markets, 340; details as to transportation and stock, 340, 341; no knowledge of bubble stocks, 342; variations in sugar stocks during last ninety days, due to passage of bill by House of Representatives with sugar on free list, and healthy reaction by reason of Senate amendments, 342; details as to stock market, 342; repeats denial as to campaign contributions by American Sugar Refining Company, 342; price of sugar would be increased 1 cent a pound if bill as it now stands becomes a law, 343; raw and refined sugars have decreased about 2¼ cents a pound since passage of McKinley law, 343; no member of Congress has been, or is now, employed by American Sugar Refining Company as attorney or counselor, 343; names of officers and directors of said company, 343; purpose of visit to Washington in March last, 343; statement as to different rates of taxation of sugar, 344; as to polariscope test and Dutch standard colors, 344–345; as to duties and rates, 345; as to frauds in respect to sugar duties, 345; as to foreign refineries, 346; no interest in same, 346; as to sugar interests in United States, Cuba, and Sandwich Islands, 347; has no knowledge of any Senator being engaged in stock operations whether sugar or otherwise, 347; no Senator or Representative has acted or is acting as agent or attorney of American Sugar Refining Company, 347; no Senator or Representative has furnished the sugar trust or said company with information of proposed legislation, 347; answers questions as to Senators Brice and Smith, 347; also as to other Senators, 348; never talked about sugar with any Republican member of the Senate Finance Committee, 348; never made suggestion to Democratic members of Finance Committee as to obligation of Democratic party as sugar trust, 348; answers questions as to American Sugar Refining Company endeavoring to control legislation of Congress in respect to sugar duties, 348; answers as to profits of said company, 349; as to conversations with Senators Vest and Hill, 349, 350; as to campaign contributions, 350, 351; contributed to Democratic State (N. Y.) campaign fund in 1893, 350; did not contribute to Republican State campaign fund, 350; made no contribution to either party in 1892, 351; made contributions for local purposes,

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351; contributed to Republican campaign fund in Massachusetts and to Democratic campaign fund in New York, 351-352; did not give anything to the State of Maine, 352; American Sugar Refining Company did not contribute anything in 1892 towards securing nomination of any person as President, 352; as to other State contributions, 352; further as to campaign contributions, 353; sugar trust never contributed towards election of U. S. Senator, 353; will furnish amounts contributed locally, if committee desires, 353; no record of contributions for national elections, 353; there is record as to local elections, 353; requests opportunity to consult counsel before answering or complying with request of Senator Allen for production of full data of contributions for political purposes of any political party whether national, State, or local, 354; requests opportunity to consult counsel before answering question of Senator Allen as to sum of money made by American Sugar Refining Company attributable to McKinley act or its operation, 354.
June 13, recalled. While willing to answer as to material matters, under advice of counsel, declines to answer about outside matters, 357; declines to answer about local contributions, 358; knows of nothing given to national campaign, 358; no bargain exists of any nature and no claim made that said company was entitled to anything except what its merits required, 358; answers as to profits between McKinley act and pending Senate amendments, 358; answers generally as to profits, 358-359; answers as to organization and reorganization of sugar trust, 359; answers further as to profits, 359; as to cost of sugars, 360; answers as to prices to producers and consumers, 360; American Sugar Refining Company have fixed prices so as to exclude all foreign competition, 361; prices to consumers higher in Germany than in United States, 361, 362; gives details as to refining industry in United States, 362; gives details as to prices to American consumer, 363; as to profits to said company, 364; as to taxation of sugar, 365; as to declination to answer questions, 365; as to campaign contributions, 365; American Sugar Refining Company has no politics except the politics of business, 366; our business is the refining of sugar at a slight profit that is consistent with a reasonable return on the industry, 366.
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street six months ago, but does not know Mr. Terrell or Mr. Meyer, 162; never saw any paper prepared by Senator Caffery and indorsed by the sugar trust, 162; witness wrote first sugar schedule that was in first report of tariff bill, 162. (Recalled May 31, 1894.) Extract from letter of "Holland" reread to witness as to memorandum Secretary Carlisle furnished the Finance Committee, 185; witness repeats that said statement is absolutely false, 186; statement as to meeting in the room of Committee on Appropriations, 186; witness requests Secretary Carlisle to draw a schedule on a basis named and send it to him, which the Secretary did, he receiving the same the next day, 186; witness requested that, to save himself the labor and for the reason that all the data was in the Treasury Department, 186; that is the only schedule Secretary Carlisle drew, 186; that memorandum was given to Mr. Durfee, assistant clerk Finance Committee, who drew up the amendments, 186; statement of "Holland" as to interlineations is not correct, 187; further details as to said schedule and of meeting in room of Committee on Appropriations, 187; thinks the memorandum or schedule sent by Secretary Carlisle did have interlineations, which witness did not recollect at first, 187, 188; Secretary Carlisle's agency in the matter was merely manual and no other statement was furnished by him, 188. Recalled June 16, 1894. Answers formal interrogatories, 496, 497.
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Knows Emile Guillanden and Samuel G. Battershaw, 585; has never seen in the possession of either Guillanden or Battershaw what purported to be a photograph of an order for the purchase of sugar stock signed J. N. Camden, 585; has never seen what purported to be the original of such an order, 585; thinks he (witness) has a copy of such a photograph received by him from Guillanden, 585; did not receive it direct from Guillanden, but through hands of an office boy, 586; thinks it was received on Thursday or Friday, July 19 or 20, 586; was told by office boy to keep it, and accordingly put it in his desk, 586; had not seen it before, but had heard it talked about, 586; does not know Senator Camden or his handwriting, 586; never talked with Battershaw about the matter, 586; witness has with him what he supposes to be said photographic copy, which he hands to the chairman (Senator Gray), 586; witness put said copy in the envelope without seeing it and sealed the envelope, 586; said envelope is then opened by the chairman and photographic copy of said alleged order taken therefrom, 586; said copy read to witness, who states he has no objection to the committee retaining same, 586; witness has no connection whatever with said copy and knows nothing of it, 586; knows nothing of any transaction that it purports to relate to, 587; firm of said Wheeler & Co. never filled said order, 587.
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Martin, John, Senator from Kansas, testimony of 492

May, Frederic, manager of Washington branch of Seymour Bros. & Young, stockbrokers, New York City 582
Has been manager of said branch for past six months, 582; has seen article in New York Herald of July 17 headed "Senators Buy Sugar," 583; knows nothing of the matters therein stated, 583; while manager of said branch no U. S. Senator has bought or sold sugar stocks through said firm, 583; knows nothing of existence or alleged existence of order of a U. S. Senator to buy or sell sugar stocks nor of photograph of such order, 583; knows positively that no U. S. Senator purchased or sold sugar stocks through said Washington branch since he has been manager, 583; knows one Samuel W. Battershaw, 584; said Battershaw was an employé of said firm of Seymour Bros & Young on February 1

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last when witness became manager, 584; said Battershaw was a solicitor of stock orders, 584; Battershaw was discharged by said firm on May 1 last, 584; Battershaw did not report all of his business transactions to witness, 584; Battershaw never showed witness an order from any U. S. Senator for the purchase or sale of sugar stock and never told witness that he had such order, 584, 585; gives details of business methods of firm as to stock transactions, 585.

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McLaurin, A. J., Senator from Mississippi, testimony of 472, 473

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McPherson, John R., Senator from New Jersey, testimony of, May 31, 1894. 163–181
Is Democratic member of Finance Committee, 163; was seldom in Finance Committee until after March 1, but neither Secretary Carlisle nor any one else ever made in his presence any such statement as is imputed in "Holland" letter, 163; never heard from any other member or members of committee that Carlisle had so spoken and knows nothing of his coming secretly, or in any other way, to that committee room to interview anyone; was not member of subcommittee and had very little to do with bill, and was seldom in committee room; however, saw Secretary Carlisle there on one or two occasions, but nothing of the character imputed in "Holland" letter occurred in his presence or to his knowledge, and never heard of it until he read of it in the Press, 164; never saw and has no knowledge of draft of sugar schedule in Carlisle's handwriting, and never heard of any such paper until within last two or three days, and then only through rumor in newspapers, 164; no truth in statement in "Holland" letter as to Cleveland's attitude in interview and McPherson's revealing political and partisan pressure and his rage in presence of members of Finance Committee, thought he disagreed with committee as to sugar schedule presented and did rave some over that, 164; never stated to members of Finance Committee that they ought to put duties on sugar of certain character, and that they were under obligations to members of trust; knew nothing of such obligations and said nothing except to state at request of a friend contention of a sugar refiner, Mr. Matthieson, of Jersey City, member of trust, for differential duty of ¼ cent on refined, which he himself voted against, 164–165; did not urge committee to give duties on sugar upon any ground of obligation to trust, 165; prepared a sugar schedule of a specific duty graded on polariscope test, which was not accepted by committee; his schedule, with slight modification, was printed as amendment he intended to offer, 165; thinks refiners were desirous of ad valorem duties, though he never came in contact with any of them except that a friend, who communicated Matthieson's desires, asked permission for him to call and show unfairness of McPherson's schedule, but he told him he could not agree to Matthieson's wishes, and afterward, at request of a friend, he received Searles at his house, who undertook to show that refiners could not live under his schedule, 165–166; not certain if Searles came a second time, but saw him nowhere else, 166; never saw Havemeyer and does not know him, 166; never remonstrated against Wilson bill, but was in favor of putting sugar on free list provided needed amount of revenue could be secured; certain that income tax was insufficient, and there were other difficulties, so never committed himself to free sugar, though he was in favor of lowest possible duty, 166; could not for any serious purpose have stated that Democrats were under obligations and, therefore, could not have so stated, 166; never had any serious conversation from which anybody could draw such inference and nothing of the kind took place, 167; has heard statement that sugar refiners were in habit of giving Democratic side small contribution and Republicans large one, 167; knows nothing of, and was not present at, a Sunday meeting before bill was reported as related in "Holland" letter; knew nothing about it and had no suspicion of any such convention of big men, 167; was present at one Sunday meeting just before Democratic caucus, but never saw anything to indicate or led him to suspect any such thing happening around Capitol as described in "Holland" letter, 167: his meetings with committee were infrequent, 167; he was in bad health, could not attend meetings, and thought it best to wait until they had practically agreed, and then offer

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McPherson, John R., Senator from New Jersey—Continued.
any objections he might have, 168; was absent in South about a month while committee was at work, 168; Mills was asked to take his place, 168; explains his dealing in sugar stock; prior to holiday week and prior to coming here he bought some sugar stock and it was sold after the recess, 168; November 28, 1893, he bought 300 shares of sugar stock, can not give price, and he supposed they had been sold with others early in December, but in January, while at Aiken, S. C., he got word from his broker that they were yet unsold; his son, who was at Aiken with him, immediately telegraphed to sell them, and on January 25 they were sold, 168–169; during holiday recess he transferred to his son, who was 25 or 26 and wanted to go into business, properties, stocks, and bonds covering all his active business enterprises, including some railroad stocks which he had used as margin, 169; on return here, February 8, after bill passed House, supposing there would be no duty on sugar, his son purchased for investment 500 shares of sugar stock, intending to sell his railroad stock, 169; McPherson consented to this purchase, but whether before or after he can not say, but said if there should be any duty on sugar he must sell at once, 169; his son got sick of sugar stock, however, and on February 16 he sold that and most of the railroad stock, 169; February 22, son wanted to buy sugar stock again for investment and McPherson had some doubt about propriety, but as son promised to get out of the street he finally assented, and a telegraphic order was drawn, but, upon reflection, they discussed it again, and while he knew nothing of purpose of committee, as he had no consultation with them, there were rumors that they would do something in respect to sugar, and he thought his son ought not to buy, and they concluded then that no more sugar stock should be purchased by him or the son. The account still stood in McPherson's name, but, through carelessness of some one, the order was sent; and on February 24 he was surprised to receive notice that 1,000 shares had been bought for his account, and he at once telegraphed to sell it; and early Monday, 26th, it was sold, 169–170. Did not know if transaction resulted in profit or loss, but had statement which would show, 170; had dealt in sugar stock in October and November and before; made purchase December 4 and sold December 11, 170–171. After December the purchases were transferred to his son, but account was not transferred because he could not get over to New York with him, and he also thought it would be well for him to keep matters in such shape that he could control the son, 171; has been for some years investor—not operator—in Wall street and for past seven or eight years bought and sold securities on market, sometimes not on market, 171; has a business office in New York, 171; had determined not to have anything to do with purchase of sugar and did not really want his son to, although he saw no impropriety in son's first purchase, 171; what he has related covers all transactions since Congress convened, 171; leaves with committee brokers statement showing all transactions since December 31, and offers to obtain statement dating further back if wanted, 171; all transactions were through that broker, 172; protests that he does not think it could be called gambling in sugar stocks, he tried to correct fault or mistake of purchase of February 23 as quickly as possible without regard to loss or gain and wants to show that there has been no intention on his part to be engaged in sugar purchases and is very sorry his son purchased any, 172; does not remember having stated to anybody anything as to probable action respecting sugar, 172; has no knowledge as to any other Senator speculating in sugar, 172; in December he transferred in writing to his son, and substantially his son owned the stocks, although they were all in hands of his broker and the account remained in his name, and everything that was done afterward was done for son, 172; again explains that nothing was done afterward except purchase of 500 shares, February 8 (which he thought perfectly safe for son to do, as he did not anticipate, and did not think possible, any further legislation), which were sold February 16, and then the unfortunate purchase of 1,000 shares on 23d, which he annulled or countermanded immediately, 172–173; with exception of some Atchison stock, that is all the stock son has purchased, and everything was sold out, and in April the transfer of money in bank was made by his secretary to his son in New York, 173; since last December has not owned or purchased wittingly or knowingly a share of any stock for his own benefit, and would have known it if he had, 173;

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McPherson, John R., Senator from New Jersey—Continued.
S. S. Sands & Co., 10 Wall street, are his brokers, and Joseph H. Bond, of that firm, has always attended personally to his affairs, 173; never purchased any stocks that were subject of legislation by Senate, 173; has never been a stock speculator, but simply purchased investments in stocks and sometimes does not sell them for three or four years—never buys stocks that are not dividend-paying and sells only when rise in market or something better offers; buys and sells for profit, of course, and sometimes, but not always, in the open market, 173; doesn't suppose during last seven years his purchases would average one in six months, 174; hasn't an office in Wall street, but since long before he entered the Senate has maintained an office at West Broadway and Chambers street, (No. 64), but not for the transaction of banking, brokerage, or stock business; explains his business there, 174; never buys stock except when he has money to invest, 174; does not know name of sugar trust nor what it embraces, but thinks it embraces two-thirds of refineries in United States and is incorporated under laws of New Jersey, 174; has not speculated in sugar stocks to same extent as in others, 175; had purchased sugar stocks before last summer, 175; has not owned any stock affected by legislation when such legislation was to be effected, 175; again gives details about sending of telegram to buy 1,000 shares of sugar stock—doesn't remember whether he prepared it or not, 175; doesn't know that he advised with his son as to the probable outcome of investment—the son got impression from market reports that sugar would be better investment than rail stocks, 176; explains dates on broker's statement, 176; when advised with son on February 22 knew matter of taxing sugar had been talked about, but as every member of committee seemed opposed to it, and he was himself opposed to it, did not suppose anything would be done, 176; does not know that he gave his son any information relative to agitation of sugar question by Finance Committee; son seemed to have procured his own information, 176; tried to restrain his son at all times from buying stock, 176; examining broker's statement, estimates that there was profit of about $1,000 on the one thousand-share transaction, 176–177; son had had no business experience in Wall street until the first purchase of stock, but had been out of school several years, 177; son did not enter Wall street under his advice, but he permitted him to use his own judgment, only limiting him to few shares at a time, 177; could have restrained son because stock still stood in father's name; advised him to leave stock purchases alone, and son said he was going to purchase some sugar stock and then quit; that might have influenced his action so far as the order was concerned, but he tried to correct it and ordered it sold peremptorily, 177; son not now on market, but retired on March 20, when the money was drawn out, after sale of all stocks, and placed to order of son, 177; son unmarried and still member of his family, 177; had no information as to liable rise in sugar stock except course of market and general impression of people, 177; thinks within power of sugar trust to force their stock up or down, and knew that fact before this investment, 177–178; sugar trust had monopoly of business and didn't seem to him it made much difference to them whether sugar taxed or not, 178; knew legislation looking toward tax on sugar would tend to increase value of stock, 178; had no serious talk in Finance Committee on sugar until Sunday, day before caucus, 178; it looked as if tax on sugar would be necessary in order to get necessary votes, 178; had not previous to that Sunday prepared a partial schedule, 178; the telegram was sent a day or two before that Sunday, but it did not influence him at the time because order had already gone, although it would have caused him to sell at once any sugar stock he might have held, 178; does not think it right for Senators to speculate in stocks whose values may be affected by pending or proposed legislation and has never done so, but possibly regards investments differently, 178–179; thinks ownership in any kind of property would not influence his vote in the least, 179; does not think it proper for a judge of a court to be pecuniarily interested in case before him, and it would be considered highly improper, 179; thinks man who would be influenced by holding any kind of stock ought not to be Senator, 179; does not think it well for Senator to hold stocks and bonds whose pecuniary value may be affected by his vote, and while he does not see any great harm done in his case, he would not allow another such transaction, for does not think it strictly within the bounds of propriety,

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179; has no knowledge from any Senator, or by hearsay, as to his speculating in stocks, and never heard any Senator talk of any transaction of the kind, 180; has no hearsay evidence of greater force than idle rumor as to any particular Senator or Senators speculating, 180; in his speculations met no Senator or broker of any, and does not know, by hearsay or otherwise, except newspaper talk in connection with "Holland" article, of Senators who have brokers in Wall street, 180; never received a word in writing from any of sugar-trust people, and never met any of them, with the exception of Searles, who came to his house one evening and opposed proposition he was making in committee, 180; does not know if Searles lives in Brooklyn, 180; personal friend asked if Searles could call, 180; had seen Searles once or twice before, perhaps, and thinks Searles was here in 1890, 180; only knew Searles was here, and his business with him was to protest against his sugar schedule, but does not know what his chief object here was, 180; did not know that it was to see Senators and Representatives and procure most favorable legislation possible on sugar question, but that would be no reason why anyone should grant him interviews, 180–181; Searles came to see him when he heard of amendment he had offered in committee, 181; can not recollect date nor whether it was before or after he offered his schedule in caucus on February 28, and condemned sugar schedule of bill, but best recollection is it was shortly before bill was reported to Senate, March 20, 181.

Meyer, Cord, jr., officer, partner, and director in several business corporations, testimony of 354–357
Not connected with sugar trusts, 354; talked with several Senators in favor of protection to American Sugar Refining Company, 355; was never in Capitol, as stated in "Holland's" letter, at a Sunday consultation between Democratic members of Finance Committee and officers of sugar trust, 356; never talked with any member of Finance Committee, 356; was here in interest of bone black and rice, 357; knows of no contributions made by sugar trust to campaign fund of either political party, 357.

Mills, Roger Q., Senator from Texas, testimony of 182–185, 473
Represented Senator McPherson on Finance Committee, 182; statement as to his work on the tariff bill, 182; extract from "Holland's" letter as to Secretary Carlisle's appearance before Finance Committee, and his statement of obligation of Democratic party to the sugar trust in return for liberal campaign contributions read to witness, 182–183; witness knows nothing on earth about it, 183; Secretary Carlisle never made such a statement to the knowledge of witness, 183; never saw such a memorandum as is described, 183; additional extract as to Sunday meeting in Finance Committee room with representative of sugar trust in another room near by read to witness, 183; witness never heard of such meeting and has no knowledge of it at all, 183; has no knowedge of members of sugar trust being at the Capitol, 184; Mr. H. O. Havemeyer called at his house with letter of introduction from Secretary Carlisle and witness refused to see him, 184; has never seen Mr. Havemeyer, 184; can not give the names of the Democratic campaign committee, 184; knows nothing of collection or payment of campaign funds, 184; knows of no Senator speculating in stocks or bonds during the pendency of tariff legislation, 184; extract from "Holland" letter as to incident in Finance Committee room when Senator Vest suggested that a duty of one-half of a cent upon raw sugar would afford sufficient protection to all the sugar interests of the country, etc., read to witness, 184–185; witness replies that said statement is false, 185; witness states his position in respect to sugar duties, 185; makes statement as to position of Senators Vest and Jones, 185; witness was the Senator who proposed the duty on sugar as a necessary revenue measure, 185; answers formal interrogatories, 473.

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Morrill, Justin S., Senator from Vermont, testimony of 480
Murphy, Edward, jr., Senator from New York, testimony of 476–479
Answers formal interrogatories, 476–477; does not know Henry O. Havemeyer, and never present at any time or place where he was during this session, 477; does not recollect being at Brice's one evening this spring

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Murphy, Edward J., Senator from New York, testimony of—Continued.
when Havemeyer was sent for, 477; was there only once, one evening when Gorman, Gibson, Brice, White, Caffery, and Hill were there, but did not see Havemeyer that evening, and does not mention Caffery going out of the room to talk with Havemeyer, 477-478; were talking about tariff bill generally; Louisiana Senators were talking about sugar and did most of the talking, 478; nothing was said about indorsement of Democratic party to sugar people, 478; thinks nothing wrongful in regard to schedules by others than Louisiana Senators, and they also talked about other schedules, 478; during pendency of tariff bill saw Searles and Meyer, 478; saw Searles about time committee was ready to report, 478; under impression it was after first schedule and before last schedule was reported in Senate, 479; Searles made argument in favor of substituting ad valorem for specific duties, as he testified; Murphy agreed with him in that view and Searles's statement is substantially correct, 479; saw no one else connected with sugar trust except Meyer, who argued that there was not enough protection in the schedule to American Sugar Refining Company, 479; is chairman of New York Democratic State committee, and was in 1892 and 1893, but knows nothing of contributions from sugar trust in those years—Havemeyer did not, to him—does not know that he ever met him, 479; nothing was said by Searles or Meyer in regard to such contributions, 479.
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Answers formal interrogatories, 497; have bought and sold, not continuously, but incidentally with other stocks, stock of American Sugar Refining Company during last twenty months, 497; last transaction was on day fixed for vote on sugar schedule, 497; closed out at some loss in order to enable him to vote without having any interest in said stock, 497; does not feel there is anything in his connection with Senate to interfere with his buying or selling the stock when he pleases and proposes to do so, 497; has never been connected with American Sugar Refining Company, 497; has no acquaintance with either of the Havemeyers, Searles, or Terrell, 497; has never met any person in Washington who he understood was agent of sugar trust or connected with it, 497; never received any information from any member of Senate Finance Committee in relation to legislation, 497; has acted in respect to purchases and sales of stock without regard to legislation, 497; has operated in various stocks on stock boards since 1891, 498; sometimes does not buy stocks for years and then buys actively, 498; has no relation whatever with sugar trust and had no participation in framing sugar schedule or in any legislation upon it, 498.
Ransom, George E., clerk Committee of Commerce, U. S. Senate, testimony of. 546, 547
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Reed, Henry R., member of firm of Nash, Spaulding & Co., of Boston, and part owner of the Havre Sugar Refinery, Boston, Mass., testimony of. 290-311
States interest in above-named companies; in no way connected with the sugar trust, 291; called upon several Senators in regard to the sugar schedule, 291; discussed details of sugar business with them as to races, etc., 292; knows Mr. Terrell and has met him frequently, 292; as to meeting with Senators and American Sugar Refinery Company officials, 293; as to meeting in Mr. Terrell's room and conversation overheard by Mr. Gaston, 294; never was in the Capitol on Sunday, 295; knows nothing of meeting between Democratic members of the Finance Committee and representatives of sugar trust, 295; calls at Senator Brice's house,

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Reed, Henry R.—Continued.
296; differences of opinion between officers of American Sugar Refining Company and himself as to rates of duty, etc., 296; states details as to competition with said companies, 297; details as to other refineries, 298; as to profits, dividends, etc., 298; knows nothing of "bubble stock," 298; owns stock in aforesaid company as an investment, 299; as to organization and reorganization of said company, 299-300; as to capitalization of same, 300; as to officers of said company, 301; as to representation of sugar interests in Washington, 302; as to arguments presented, 302, 303; knows of no Senator's speculations in sugar stocks, 303; never advised any member of Congress to buy or sell sugar stock, 303; knows of no contributions made by American Sugar Refining Company or by any refining interests to campaign fund of either Democratic or Republican party, 303; has been a contributor to the Democratic party for many years in a modest way, 304; has presented arguments to members of Finance Committee in respect to sugar schedule, 304; as to tariff duties, 304; differences between present law and pending bill, 305; details of sugar refining, 305, 306; as to past legislation, 307; as to hearings, 307; as to sugar schedules, 308; details as to sugar interests and organization, 308; price of sugar is made by American Sugar Refining Company, 309; as to Spreckels's interests, 309; as to sugar markets in this country and competition, 310; knows no Senator who owns sugar properties, stocks, or bonds, or who has been counsel for any of the sugar companies, 310; knows of no concerted effort of refining companies to purchase sugar crop of this season in anticipation of sugar schedule taking effect in January next, 310; impossible to lock up six months, supply of sugar in this country, 311.

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Roessle, Theophilus E., proprietor "The Arlington," Washington, D. C., testimony of 265-268

Rood, Henry Edward, newspaper man, office New York Herald, testimony of. 560
Author of Herald article of July 17, 560; states his source of information, 560 *et seq.*; casual conversation with Bruce, 560; interview with undisclosed informant to whom Bruce referred him, 561, 562; steps taken to discover the undisclosed broker's agent, 562; interview with Derickson, 562; writing of article, 562; further interviews with informant, 562; informant's statement that photograph was just being sent to member of Finance Committee to be used as a coercive measure, 562, 563; denials by Wheeler & Co., 563; informed that Battershaw might be the man, 563; previous introduction to Battershaw by Derickson, 563, 564; search for Battershaw, 564, 565; committee's message to Herald, 565; more about Battershaw, 564, 565; photograph in possession of informant, 566; informant's statement in regard to sending it to member of conference committee, 566; chairman's statement that members of Finance Committee deny receipt of photograph, 566; possibility that informant was deceiving Rood, 566; ethics of using order in the manner intimated, 566, 567; Bruce's information in regard to the order, 567; declines to state in whose hands Bruce told him the order was, 568; first conversation with Bruce was about July 11, 568; Bruce stated, and informant corroborated him, that order was given shortly before phenomenal rise in sugar, 568; Bruce's business and address, 568; declines to give name of his informant, 569; never saw Thayer, and has no reason to believe he has any information, 569.

Ross, Morgan R., clerk, "The Arlington," Washington, D. C., testimony of.. 287-289

Searles, John E., secretary and treasurer American Sugar Refining Company, residence, Brooklyn, N. Y., testimony of 368-404
Testifies June 13, 1894 as to organization of said company, 369; have been in Washington about one-third of the time since January last to secure from the Senate an improvement of the sugar schedule, 369; called upon and conversed with Senator Jones, of Arkansas, as to same, 369; had explained to him result of sugar industry of this country if House schedule was adopted, 369; urged ad valorem tax as a most equitable, 370; letter of introduction from R. C. Kerens, of St. Louis, 370; gave Senator Jones facts and statistics as to sugar production in this country and Europe, 370; explained differences between

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present and proposed law as to sugar, 370; purchase sugars under present law from all over the world, 370; as to rates proposed, 371; statement of Senator Jones of objection to ad valorem principle, 371; ad valorem duties could not be collected with same safety as specific duties, 371; cable quotations daily from all parts of the world would be a check on customs officials, 371; urged on Senator Jones that sugar-refining industry should be treated with same fairness as other industries, 371; American Sugar Refining Company was entitled to same treatment as a dozen different firms in same business would be, 371; made no suggestion to Senator Jones of indebtedness of Democratic party to sugar trust or its members, 371, 372; did not see Senator Jones again until after Finance Committee had framed its first schedule, 372; in second interview witness protested against the committee's schedule as unfair to lower grades of sugar, 372; would embarrass importation of raw sugar and enhance the cost of refined sugars to consumers in this country, 372; discussion as to rates, 372; saw Senator McPherson at his house in February, 373; one of largest of refineries of company is located in New Jersey and the Senator's assistance was asked, 373; was not aware that the Senator was a stockholder, 373; statement as to list of stockholders and certificates of stock, 373; saw Senator McPherson but once afterward, 373; did not suggest to him indebtedness of Democratic party to sugar trust or its members for campaign contributions, 373; nor any kindred suggestion, 374; saw Senator Smith to whom the same arguments were addressed as to Senator McPherson, 374; also saw Senator Gorman, there being a large refinery in Baltimore, to whom he made similar statements, 374; Senator Gorman did not commit himself, but said he would think and talk the matter over as he thought the sugar industry should be treated as fairly as every other, 374; also saw no reason why, unless there was difficulty of administration of an ad valorem tariff, such a schedule should not prevail, 374; at subsequent interview Senator Gorman explained opposition of Louisiana Senators to ad valorem duties, 375; saw Senator Gorman at Capitol in company with Senators Jones and Camden, 375; went over figures of sugar schedules with Senator Jones, 375; saw Senator Caffery at room of Senator White, of Louisiana, in February, 375; explained to them advantages of ad valorem tariff, 376; also saw Senator Murphy twice and used same arguments, 376; also saw Senator Aldrich, friend of many years standing, at his rooms at the Arlington, 377; urged the same arguments in favor ad valorem tariff, 377; only interested in ad valorem and differential rate, 377; never suggested to him that Republican party was under any obligations on account of campaign contributions, 377; never was present at meeting of Finance Committee, or Subcommittee of, 377; never was in Capitol on Sunday but once and then met Senator Jones in his own committee room, 378; no other person was present and that meeting was by appointment, 378; suggestions as to sugar schedule made to, and conversation with, Senator Jones, 378; discussion of rates and interests of planting and refining industries, 379; statement of effect of Finance Committee's schedule, 379; never met Senator Brice, 380; did not see Senator Hill, 380; do not know Mr. E. C. Benedict, 380; do not know Mr. Cleveland, 380; called upon Secretary Carlisle after Senator Jones had stated his objection to ad valorem form of tariff, because of possibility of fraud, and discussed subject, 380; the Secretary thought an ad valorem tariff not objectionable; that on contrary it would be a perfectly safe form of collecting the revenue, 380; have known the Secretary for years, 380; answers questions as to rates, 381; was an officer of Havemeyer Sugar Refining Company, and has been secretary and treasurer of American Sugar Refining Company since its organization in 1891; details as to number of sugar refineries in 1887, 381; eight active refineries are now embraced in American Sugar Refining Company, 382; details as to working of refineries, 382; as to sugar consumption, 382; reduction in prices of sugar stated, 382; details of manufacture and profits, 383; purpose of combining refineries was to save waste of administration, 383; American Sugar Refining Company was organized to save the waste of independent administration as well as eliminating competition, 384; as to fixing prices of sugars, 384; as to competition, 384; witness's company controls price of their own product, about 80 per cent, 384; details of shipments and markets, 384, 385; conflict of interests, 385; purchase of Spreckels's Philadelphia

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refinery, 386; capitalization and profits of American Sugar Refining Company, 386, 387; details of management, 387; object of visit here was to influence Congressional legislation on sugar schedule, 387; have been in Washington since Forty-fifth Congress for purpose of explaining intricacies of sugar business and secure same proportion of protection given other American industries, 388; details of operation of refineries, 388; explanation of plans and working of American Sugar Refining Company, 389; said company is in the habit of contributing money for campaign purposes to different political parties from time to time, 390; it so contributed in several States in 1892, 390; can not enumerate the said States, 390; should not care to testify on that point unless subject is within scope of resolution creating the committee, 390; never contributed funds to secure or defeat legislation, 390; no contributions by the company with view to pending legislation on sugar question, 391; contributions have been made locally, but without purpose to influence legislation, 391; can not state definitely as to such contributions, 391; such contributions were usually made by the president of the company, 391; books might not show record of same, 391; president makes verbal explanations of contributions to board of directors, 392; can not answer certain questions without access to books, 392; declines to answer what amount was expended in 1892; ground of declination is that local contributions are not within province of this inquiry, 392; has no personal knowledge of expenditure of such contributions, 393; declines to answer question as to amount of contribution to Democratic campaign fund in New York in 1892, 393; grounds of declination stated, 394; further declines to answer questions as to political contributions, 394; does not expect any returns for such contributions, 394; statement as to same, 395; declines to answer question as to his private contributions, 395; answers further as to State contributions that he had no knowledge of details, 395; has no knowledge as to certain statements quoted from "Holland" letter in Philadelphia Press, 396; has no knowledge of any Senator speculating in sugar stocks since February 1, 396; declines to answer as to his own speculations, 396; was never solicited by any person on behalf of Democratic or Republican campaign committees in 1892 for contributions to their campaign fund, 397; further answers as to local contributions, 397; have not operated on stock exchange in sugar certificates in his own name or another name on behalf of any member of Congress, 397; have never been asked by any Senator or his clerk or representative for "pointers" in sugar stock, 397; has no knowledge of fluctuations of sugar stock. 397; never employed a member of Congress, nor has the company, to his knowledge, either directly or indirectly, employed as counsel or attorney any member, 397; have never received from any Senator, directly or indirectly, any information as to the probable result of the pending tariff measure, 398; beetroot sugar manufacturers are not part or parcel of the sugar trust, 398; declines to produce books, 398; declines to answer as to what per centage of cost in operation of company's business is made up of contributions for political purposes, 398; statement of "Holland" (read by Senator Lindsay, p. 397) as to contributions to Democratic campaign managers is not true as to himself, 398; answers as to amount of crude sugar carried, 399; answers questions as to details of crops, consumption, duties, transportation, purchases, etc., 399, 400, 401; McKinley act most beneficial to his company as compared with pending schedules, 402; answers questions as to foreign markets, 402, 403; answers questions as to competition with Spreckels's refineries, 403, 404.
Report (No. 486) to Senate in case of 661
Seip, Albert M., Washington, D. C 569
Has certain knowledge as to transactions of U. S. Senators in sugar stock during the pendency of the tariff bill in the Senate, 569; said knowledge is contained in certain private and confidential letters written to witness, 569; said letters were written by Emile Guillaudeu, the junior partner of the firm of W. B. Wheeler, brokers, New York City, 569; witness will give to the committee such portions of said letters as relates to the matter the committee is inquiring about if served with a *subpœna duces tecum*, 570; witness had taken legal advice and would produce the letters if the committee insisted on their production, and he was served with the proper subpœna, 570; had shown said letters to ex-Governor William Pitt Kellogg, 570; has certain knowledge connecting U. S. Senators with

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Seip, Albert M., Washington, D. C.—Continued.
transactions in sugar stock, 570; obtained certain information as to such transactions from ex-Governor Kellogg, 571; saw Senator Higgins in Corson & Macartney's office the last day of the last (extra) session of Congress, 571; he had a monthly statement, such as Corson & Macartney are accustomed to give their customers, 571; has seen, very frequently this spring, Senators Brice, Quay, and Smith in Corson & Macartney's office, 571; has not seen Senator Higgins there this session, 571: describes said monthly statement, 571; knew nothing of their business there, 572; their presence influenced witness's judgment in relation to sugar transactions, 572; (*subpœna duces tecum* served on witness by clerk of the committee, 572;) in accordance with said subpœna and instructions received, witness produces two letters from Emile Guillauden, of firm of W. B. Wheeler & Co., New York, and reads portions of same to committee, 572, 573; witness understood from these letters and the context that Senator Camden gave the written order and Senator Smith the verbal order, 573; the person referred to in first letter of Guillauden was Samuel Battershaw, formerly in employ of Seymour Bros. & Young, of New York, in their branch office here, 573.

Seymour, Allen Lewis, member of firm of Seymour Bros. & Young, stock brokers, New York City; residence, East Orange, N. J..... 592
Said firm is composed of Allen L. Seymour, C. A. Seymour, William E. Young, and James W. Fox, with office at No. 3 Exchange Court, 592; firm has branch office in Washington, 592; declines to answer question of chairman if he knows of any purchase or sale through the agency of his house, or otherwise, of sugar stock by any U. S. Senator during the last winter and spring, 593; declines to answer for reason that his brokerage business is sacred and he can not answer questions about his business, 593; declines to answer question that his previous declination gives rise to inference that some U. S. Senator has bought or sold sugar stocks, 593; would decline to answer just the same whether any U. S. Senator had or had not bought or sold such stock, 593; knows Mr. Battershaw, who was temporarily employed by his firm to solicit orders or business in Washington, 593; does not remember that he ever received from Battershaw an order—to be executed by his firm—from any U. S. Senator to buy or sell sugar stock, 593; declines to answer question whether he ever executed an order obtained through Battershaw or anybody else of Senator Camden to buy or sell sugar stock, 593; declines to answer question whether he meant it to be inferred that there was not such an order, 593; declines to answer question that by reason of such previous declination he was giving rise to the inference that such order was executed for Senator Camden, 593; on being asked by the chairman whether he (witness) had ever executed an order from him (Senator Gray) for the purchase or sale of sugar stock during the last winter or spring, witness replies that he does not know the name of the questioner, 593; the chairman thereupon stated, "I am Senator Gray," whereupon witness replies, "No," 593; upon being asked by the chairman why he answers in his case and refuses to answer as to another Senator, witness declines to answer, 593; declines to answer why he declined to answer said previous question, 593; witness again declines to answer that question, 594; witness does not know consequences of his refusal to answer a proper question, 594; does not know of a law of the United States making it a penal offense to decline to answer a pertinent question propounded to him by a committee of the Senate in a matter which they are charged with the investigation of, but is willing to take the chairman's word for it, 594; after restatement of the law by the chairman witness still declines to answer, 594; witness' firm kept Battershaw in Washington because he solicited business, 594; declines to answer question whether Battershaw got an order of any kind for his firm to buy or sell stock, 594; witness discharged Battershaw because he was a drunkard and loafer, 594; witness is shown a photograph of what purports to be an order (already in evidence, see p. 586) and states that he can not identify it, 594; never saw the original from which that photograph was made, 594; declines to answer the question whether he executed any such order, 594; does not know the signature of Senator J. N. Camden, 594; does not know whether or not any such order—the original from which said photograph was made—was ever in the possession of his firm, 594; states details as to business of firm, 594, 595; has not consulted a lawyer or anybody else as to what he should say

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Seymour, Allen Lewis—Continued.
before the special committee, 595; has not had conversation with anybody on the subject of his testimony, 595; further declines to state reasons for declining to answer questions he had declined to answer, 595; states to the committee that he would not believe Sanford W. Battershaw under oath; that Battershaw was a scoundrel, a liar, and a drunkard, 595; Battershaw has no reputation for truth and veracity, absolutely none, and in opinion of witness he was a common blackmailer, 595. (Testimony continued on July 26, p. 599.)
(Mr. Seymour appeared and stated that he had reconsidered his refusal to answer certain questions put to him yesterday and desired to make a further statement.) In reply to question by Senator Davis, witness states that he did not intend to answer any questions in relation to his business, 599; on being asked by Senator Gray whether his firm had ever received an order from him, on the spur of the moment he answered "no," 599; having done that, he now desired to state, as a matter of justice to Senator Camden and all other United States Senators, that he never received from any United States Senator an order to buy or sell sugar, 599; neither he nor his firm have, directly or indirectly, bought or sold sugar certificates for or in the interest of United States Senators during the present session of Congress, 599. (July 30 Mr. Seymour reappeared voluntarily and was further interrogated.) In reply to question by Senator Davis, witness stated that he asked leave to reappear and make a statement, which was granted by the committee, 600; witness states that he has examined transcript of his statements on July 26, and he notes important errors, in view of which, and the fact that there were only two members of the committee present, he desires to withdraw each and every statement made by him on said day, 600; on being handed, by Senator Davis, a transcript of his testimony on said day, with request to indicate one error, witness declines to name one, 600; witness declines—and repeats declination—to answer any and all questions, 600; witness declines to answer whether he stands upon the declinations made by him on the 25th of July, 600. (Motion made by Senator Davis, and carried unanimously, that the witness be certified to the grand jury under the statute, as in the case of other contumacious witnesses, 600.

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Shriver, John S., Washington correspondent of New York Mail and Express, testimony of..... 113-120, 131, 132, 136
Legal residence, Baltimore, but lives in Washington, 113; extract read from issue of said paper of May 19, 1894, as to meeting in a room at the Arlington Hotel between several Democratic Senators and representatives of the sugar trust, 113; that information was given witness by a member of the House of Representatives, 114; unable, on account of promise made, to give name either of the member or the person who overheard the conversation, 114; further declines to answer questions and makes statement of grounds for such declinations, 115; additional information obtained from Harry W. Walker, a newspaper correspondent, 115; further statements as to informants, 115; reasons as to declinations to give names, 116, 117; additional extracts read and statements as to, 118, 119; further answers as to name of person who overheard conversation at the Arlington. (Time given Mr. Edwards to consult counsel, 120.) Reappears May 25, makes explanation, 131; under advice of counsel declines to give authority for statement as to Arlington Hotel meeting, 132; gives reasons for such declination. (Subsequently reappears and declines to give names, 136)
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Silsby, George W., broker, Washington, D. C., testimony of..... 536-538
Answers as to lists of sales of sugar stock by his firm, on one of which was name of "Ransom," 536; said lists were stolen from his branch office, 536; details as to same, 536-538; publication in New York Press was made by its correspondent when he knew that it was not Senator Ransom, 538.

Smith, Henry H., clerk of Special Committee, prepares and serves subpœna *duces tecum* on Albert N. Seip..... 572

Smith, James, jr., Senator from New Jersey, testifies June 16, 1894..... 499-504
Answers formal interrogatories, 499, 500; as to alleged meeting in Terrell's room, says sometime in March (day unknown) called at Brice's house

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Smith, James, jr., Senator from New Jersey—Continued.
and was told he was at Terrell's room; on his way back, about 10 or 10:30, stopped at Arlington, sent his card up to Brice, and when he went up found Terrell, Havemeyer, and Brice and remained about ten minutes; they were not discussing any subject, but Havemeyer said the committee were not treating them very well, and Smith said they heard the same story from all the manufacturers, and that was all that was said about sugar schedule, 500; he left before Havemeyer, 500; saw Havemeyer afterwards, 500; one of largest sugar refineries located in his State and belongs to trust, 501; Havemeyer came to see him two or three times at his hotel, the Normandie; the first time, probably a day or two before he met him in Terrell's room, he said Jones and Vest were treating his interests badly, and the graduated schedule reported by Finance Committee would ruin the refining industry, and Smith, as Senator from New Jersey, ought to see that they were fairly treated; Smith told him he was willing to do what was fair or right, but considered them as a trust, in little different light from other industries; public thought them not entitled to same consideration, and he did not believe the committee would give them treatment they would give private interests, to which Havemeyer took exception and urged his claims to equal consideration, 501; only response or engagement Smith made was that he believed that if a duty were put on raw, refined ought to receive the same consideration, 502; they did not settle on any particular rate or schedule then or at any other time, 502; Havemeyer used no arguments other than those stated, and did not remind him of indebtedness of Democratic party to sugar trust, 502; statement in "Holland's" letter as to Havemeyer's language toward Brice and Smith in Terrell's room wholly untrue so far as he is concerned, and Havemeyer at no time or place addressed him in that manner, 502; Havemeyer met him at Arlington at no other time but called twice at his hotel; met him at no other place, 502; all interviews were on same lines, and no arguments other than those indicated were used, 502, 503; never saw Havemeyer in Capitol, 503; never went before committee in Havemeyer's interest, nor made any request of committee, but prior to meeting Havemeyer said to some of members of committee that if raw sugar was protected ought to do something for refined, but nothing after he met Havemeyer, 503; never in Capitol on Sunday or any other day with either of Havemeyers, Meyer, or any other person interested in sugar stocks, 503; never on Benedict's yacht, 503; has not speculated in sugar stocks during pendency of bill, 503; knows of no contributions by sugar people to campaign funds of 1892, 1893, or any other years, and did not personally receive any in his State, 503; statements to members of Finance Committee referred to were made to Jones and Vest, and upon one occasion only, viz, long before Finance Committee made any report, in general conversation upon House bill—thinks conversation was in Senate Chamber, because more or less every day he was talking with them on sugar schedule—in that conversation he said he thought that whatever the duty was on both raw and refined, he would advocate reduction of one-half or cutting in two protection on both, 503, 504; after committee reported bill did not at any time or place exert or help to exert any influence in regard to change from schedule reported, 504; his position all along has been that if there is tax on raw there ought to be one on refined, 504.

(Recalled and testified on July 31.) Attention of witness called to part of a letter from Emile Guillaudeu to Albert N. Seip, in which name of witness is mentioned as having purchased sugar stock, 605; testimony of Guillaudeu read as to same, 605; witness states that extract from letter and said testimony is absolutely false, 605; does not know Battershaw, and never gave him or any other person here in Washington an order for purchase of sugar certificates, 605; will stand by his previous testimony except in one particular, 606; that exception relates to answer to question whether the person had bought any sugar since Congress met, 606; witness supposed the intention was to find out whether Senators had speculated or bought sugar stock pending the bill in the Senate, 606; so understanding the question, witness had answered "no," 606; never kept a record of buying a share of stock, and had written his broker asking him if he (witness) had bought any sugar stock pending the tariff bill in the Senate, 605; has not received reply but expects one to-day, 606; witness has an impression that he bought 1,000 shares of sugar stock in January or February last, 606; will not

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Smith, James, jr., Senator from New Jersey—Continued.
swear postively that he did, but has an impression that he made such purchase prior to the time the bill came from the House, 606; thinks such purchase was in January, 606; never met Battershaw or knew and does not know what house he represented, 606; had a transaction which he thinks was in whisky, in Newark, with a man named Cohen, a brother-in-law of a personal friend of witness, 606; does not know what house Cohen represented, and does not know whether it was a transaction in sugar or not, 606, 607; judgment of witness is that it was whisky, and he has written to Cohen, asking if he would send word exactly what it was, 607; as to statement made before the committee in June, that he (witness) had not bought or sold, directly or indirectly, since the beginning of this session of Congress, any so-called sugar stock or stocks or certificates of the American Sugar Refining Company, witness is not now so positive, 607; repeats statement as to scope of question then propounded, 607; thought then that the committee wanted to find out whether witness had bought or dealt in sugar stocks pending the tariff bill in the Senate;, 607; witness thon said "no," and says so now to the best of his recollection, 607; is not certain whether the order he gave to his friend's friend was sugar or whisky, 607; it may have been sugar, but witness does not know and has written to find out and will hand the committee the letter, 607; that is the only transaction that interferes with his former answer, 607; does not keep an account of his transactions, 607; is in habit of speculating frequently, buying for investment or speculation, 607; does not know Battershaw, never saw him, and never had a transaction in Washington in his life, 607.
(August 2, 1894. Senator Smith reappeared and requested to make a further statement. He was interrogated and further testified as follows:) In previous testimony had stated that he was uncertain as to whether he had had a transaction in sugar during the pendency of the tariff bill in the Senate, and had written to his broker for the facts, 608; had ascertained since giving that testimony that he had not bought or sold any sugar certificates, 608; desires now to remove any uncertainty existing in former testimony by stating unqualifiedly that he had not bought or sold sugar stock during pendency of tariff bill in the Senate, 608.
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Teller, Henry M., Senator from Colorado:
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Terrell, Herbert L., officer of several business corporations, New York, testimony of 236-261
Extract from Mr. Shrivers' letter in New York Mail and Express of May 19, 1894, as to meeting of certain Senators in the Arlington Hotel with certain officials of the sugar trust read to witness, 236; denies statements made in said article, 237; extracts from Mr. Gaston's testimony read to witness, 237, 238; makes statement of facts in reply, 238, 239; conversations with Mr. H. O. Havemeyer, 240, 241; as to visitors to his room, 241; employed to look after interests of Mr. Havemeyer in Washington, 241; reported situation, 241; details of meetings with Senators at his room, and with others, 242, 243; meetings and conversation with Senator Brice, 243, 244; another extract from Mr. Shrivers's letter as to meeting between Senators Brice and Smith and Mr. H. O. Havemeyer read to witness, 244, 245; denies truth of same, 245; further details of meetings, 245, 246; statement of meeting of Senator Jones and Mr. Havemeyer at Senator Camden's room, 246, 247; further details, 248; extract from "Holland's" letter as to Sunday meeting at Capitol of Democratic members of Finance Committee, sugar trust people being in a room in the same wing, read to witness, who denies its truth, 249; as to meetings with parties named, 250; as to business interests in Washington, 251; as to transactions in sugar stock, 252, 253; details as to conversations with certain Senators and sugar trust people, 254; further details of meetings and conversations, 255, 257; as to contributions, 258; as to stock speculations, 259; as to conversations with other Senators, 260.

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Bruce, George, bookkeeper, 68 East 110th street, New York City 596
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Coster, Charles H., of Drexel, Morgan & Co., New York 404
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Fisher, Lester S., telegraph operator, with Corson & Macartney, Washington, D. C 542
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Macartney, John W., Corson & Macartney, bankers and brokers, Washington, D. C 538-542
May, Frederic, manager, branch office Seymour Bros. & Young, Washington, D. C 582
McFarlane, Duncan, clerk to Senator Kyle 25-33
Meyer, Cord, jr., capitalist, 62 William street, New York 354-357
Oxnard, H. T., beet-sugar manufacturer and producer, Grand Island, Nebr 474
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53D CONGRESS, 2d Session. } SENATE. { REPORT No. 624.

IN THE SENATE OF THE UNITED STATES.

AUGUST 2, 1894.—Ordered to be printed.

Mr. GRAY, from the Special Committee on Attempts at Bribery, etc., submitted the following

REPORT:

The special committee, under and in pursuance of a resolution of the Senate of May 17, A. D. 1894, as follows:

Whereas it has been stated in The Sun, a newspaper published in New York, that bribes have been offered to certain Senators to induce them to vote against the pending tariff bill; and

Whereas it has also been stated in a signed article in The Press, a newspaper published in Philadelphia, that the sugar schedule has been made up as it now stands in the proposed amendment in consideration of large sums of money paid for campaign purposes of the Democratic party: Therefore,

Resolved, That a committee of five Senators be appointed to investigate these charges and to inquire further whether any contributions have been made by the sugar trust, or any person connected therewith, to any political party for campaign or election purposes or to secure or defeat legislation, and whether any Senator has been or is speculating in what are known as sugar stocks during the consideration of the tariff bill now before the Senate, and with power to send for persons and papers and to administer oaths.

Resolved, further, That said committee be authorized to investigate and report upon any charge or charges which may be filed before it alleging that the action of any Senator has been corruptly or improperly influenced in the consideration of said bill, or that any attempt has been made to so influence legislation.

have attended to their duties so far as they have been able, but in certain respects have been prevented by reason of the matters hereinafter stated, and ask leave to report in part as follows:

In pursuance of said resolution the said committee met in the Capitol on the 21st day of May, 1894, at 10 o'clock a. m., and after the examination of certain matters embraced in the first paragraph of the said resolution, the committee proceeded to investigate further the matters submitted to them by the said resolution, and on the 25th day of July, A. D. 1894, the committee being duly assembled, one Allen Lewis Seymour, who had been duly subpœnaed and summoned as a witness to appear before said committee, then and there appeared and submitted to be examined as a witness. The witness was duly sworn by the chairman of said committee.

In the course of his testimony the said witness was asked certain questions and refused to answer the same, as will more fully appear by the following copy of his testimony, viz:

The CHAIRMAN. Your name, age, residence, and occupation?

Mr. SEYMOUR. My name is Allen L. Seymour; 26 years old; a broker; I live in East Orange, N. J.

The CHAIRMAN. Are you a member of the firm of Seymour Bros. & Young?

Mr. SEYMOUR. I am.

The CHAIRMAN. Who constitute that firm?

Mr. SEYMOUR. Allen L. Seymour, C. A. Seymour, William E. Young, and James W. Fox.

The CHAIRMAN. Are you the junior of those Seymours you mention?

Mr. SEYMOUR. I am the senior. I am the elder Seymour.

The CHAIRMAN. Who is the eldest member of the firm?

Mr. SEYMOUR. Mr. Young.

The CHAIRMAN. Where is your place of business?

Mr. SEYMOUR. 3 Exchange Court, New York.

The CHAIRMAN. You said you were stockbrokers?

Mr. SEYMOUR. Yes, sir.

The CHAIRMAN. You had a branch office in Washington during the last winter and spring?

Mr. SEYMOUR. Yes, sir.

The CHAIRMAN. Have you still?

Mr. SEYMOUR. Yes, sir.

The CHAIRMAN. Who attends to your stock business in your office in New York?

Mr. SEYMOUR. I do; and my brother and Mr. Young.

The CHAIRMAN. Would you know of all stock transactions, or orders to buy stock, that come to your firm?

Mr. SEYMOUR. I would if I happened to be there.

The CHAIRMAN. Is your brother here?

Mr. SEYMOUR. No, sir.

The CHAIRMAN. Is Mr. Young here?

Mr. SEYMOUR. No, sir.

The CHAIRMAN. Do you know of any purchase or sale, through the agency of your house, or otherwise, in so-called sugar stock by any United States Senator during the last winter and spring?

Mr. SEYMOUR. I decline to answer.

The CHAIRMAN. Why do you decline to answer?

Mr. SEYMOUR. Well, my brokerage business is sacred. I can not answer any questions about my business.

The CHAIRMAN. Do you know that your declining to answer gives rise to the inference that some United States Senator has bought or sold sugar stock through your firm?

Mr. SEYMOUR. I must decline to answer that.

The CHAIRMAN. Would you decline to answer just the same whether any United States Senator had or had not bought or sold such stock?

Mr. SEYMOUR. I do.

The CHAIRMAN. I say, "would you?"

Mr. SEYMOUR. I would.

The CHAIRMAN. Do you know Mr. Battershaw?

Mr. SEYMOUR. Yes, sir.

The CHAIRMAN. Is he employed by your firm?

Mr. SEYMOUR. No, sir.

The CHAIRMAN. Never?

Mr. SEYMOUR. He was, up to May 1.

The CHAIRMAN. Where was he employed?

Mr. SEYMOUR. Before the 1st of May he was in New York—no; I think he was in Washington. We sent him down. He said he had lots of friends or acquaintances in Washington and could do a good business down here, and so we sent him to Washington. I think he was here when he was discharged, on the 1st of May.

The CHAIRMAN. Did you ever receive from him, to be executed by your firm, an order of a United States Senator to buy or sell sugar stocks?

Mr. SEYMOUR. I don't remember any.

The CHAIRMAN. Did you ever execute an order for the sale of sugar stock through him during the last winter or spring, of Senator Camden? Did you ever execute an order, obtained through Battershaw or anybody else, of Senator Camden, to buy or sell sugar stock?

Mr. SEYMOUR. I decline to answer that.

The CHAIRMAN. Do you mean it to be inferred that there was such an order executed?

Mr. SEYMOUR. I decline to answer that.

The CHAIRMAN. Do you mean it to be inferred that there was not such an order?

Mr. SEYMOUR. I decline to answer that.

The CHAIRMAN. Do you know that by declining to answer you are giving rise to the inference that such order was executed by you for that Senator?

Mr. SEYMOUR. I decline to answer that.

The CHAIRMAN. Did you ever execute an order for the purchase or sale of sugar stock during the last winter from me?

Mr. SEYMOUR. I do not know your name.

The CHAIRMAN. I am Senator Gray.

Mr. SEYMOUR. No.

The CHAIRMAN. Why do you answer in my case and decline to answer when I ask you the same question about another Senator?

Mr. SEYMOUR. I decline to answer that.

The CHAIRMAN. Why do you decline to answer that question?

Mr. SEYMOUR. I decline to answer that, too.

The CHAIRMAN. You decline to answer that question, too?

Mr. SEYMOUR. Yes, sir.

The CHAIRMAN. Do you know the consequences of declining to answer a proper question?

Mr. SEYMOUR. No, sir; I do not.

The CHAIRMAN. You know that there is a law of the United States that makes it a penal offense to decline to answer a pertinent question propounded to you by a committee of the Senate in a matter which they are charged with the investigation of?

Mr. SEYMOUR. No, sir; I did not know it.

The CHAIRMAN. We say there is. We will have it read to you if you would like to have it read. Would you like to know what the law is as a law-abiding citizen?

Mr. SEYMOUR. I will take your word for it.

The CHAIRMAN. There is a law making it an offense, punishable by fine and imprisonment, to decline to answer a question that is put to you by a committee of the Senate pertinent to the inquiry with which they are charged. Do you still decline to answer?

Mr. SEYMOUR. I do.

Senator LODGE. I would like to ask you whether Mr. Battershaw was in the habit of taking orders to buy and sell stock and sending them to you for execution from Washington?

Mr. SEYMOUR. I could not say positively about that.

Senator LODGE. Why did you keep him here?

Mr. SEYMOUR. He solicited business.

Senator LODGE. Did he get you any order of any kind to buy or sell stock?

Mr. SEYMOUR. I decline to answer that.

The CHAIRMAN. Why did you discharge him?

Mr. SEYMOUR. Allen L. Seymour, C. A. Seymour, William E. Young, and James W. Fox.

The CHAIRMAN. Are you the junior of those Seymours you mention?

Mr. SEYMOUR. I am the senior. I am the elder Seymour.

The CHAIRMAN. Who is the eldest member of the firm?

Mr. SEYMOUR. Mr. Young.

The CHAIRMAN. Where is your place of business?

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The CHAIRMAN. You said you were stockbrokers?

Mr. SEYMOUR. Yes, sir.

The CHAIRMAN. You had a branch office in Washington during the last winter and spring?

Mr. SEYMOUR. Yes, sir.

The CHAIRMAN. Have you still?

Mr. SEYMOUR. Yes, sir.

The CHAIRMAN. Who attends to your stock business in your office in New York?

Mr. SEYMOUR. I do; and my brother and Mr. Young.

The CHAIRMAN. Would you know of all stock transactions, or orders to buy stock, that come to your firm?

Mr. SEYMOUR. I would if I happened to be there.

The CHAIRMAN. Is your brother here?

Mr. SEYMOUR. No, sir.

The CHAIRMAN. Is Mr. Young here?

Mr. SEYMOUR. No, sir.

The CHAIRMAN. Do you know of any purchase or sale, through the agency of your house, or otherwise, in so-called sugar stock by any United States Senator during the last winter and spring?

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The CHAIRMAN. Why do you decline to answer?

Mr. SEYMOUR. Well, my brokerage business is sacred. I can not answer any questions about my business.

The CHAIRMAN. Do you know that your declining to answer gives rise to the inference that some United States Senator has bought or sold sugar stock through your firm?

Mr. SEYMOUR. I must decline to answer that.

The CHAIRMAN. Would you decline to answer just the same whether any United States Senator had or had not bought or sold such stock?

Mr. SEYMOUR. I do.

The CHAIRMAN. I say, "would you?"

Mr. SEYMOUR. I would.

The CHAIRMAN. Do you know Mr. Battershaw?

Mr. SEYMOUR. Yes, sir.

The CHAIRMAN. Is he employed by your firm?

Mr. SEYMOUR. No, sir.

The CHAIRMAN. Never?

Mr. SEYMOUR. He was, up to May 1.

The CHAIRMAN. Where was he employed?

Mr. SEYMOUR. Before the 1st of May he was in New York—no; I think he was in Washington. We sent him down. He said he had lots of friends or acquaintances in Washington and could do a good business down here, and so we sent him to Washington. I think he was here when he was discharged, on the 1st of May.

The CHAIRMAN. Did you ever receive from him, to be executed by your firm, an order of a United States Senator to buy or sell sugar stocks?

The CHAIRMAN. I say, will you state the reasons for declining to answer them?

Mr. SEYMOUR. I simply decline to state anything in relation to my business, that is all.

Senator DAVIS. If you never did any business of that kind for any Senator and the fact did not exist, why do you decline?

Mr. SEYMOUR. I decline to answer that. I will tell the committee that I would not believe Sanford W. Battershall under oath. He is a scoundrel, a liar, and a drunkard.

Senator DAVIS. Do you base your statement on your knowledge of his general reputation for truth and veracity.

Mr. SEYMOUR. He has no reputation for truth and veracity; absolutely none. In my opinion he is a common blackmailer.

The CHAIRMAN. The committee will consider what they will do in the matter of your declination to answer. It may be that they will have to report you to the grand jury and the district attorney, but we will consider that matter. I want to give you notice of what the consequences are.

Mr. SEYMOUR. Can I go back home, or will I have to stay here in Washington?

The CHAIRMAN. Oh, you need not stay here.

A copy of the subpœna by which said witness was commanded to appear and testify before the committee at the time and place aforesaid, together with a copy of the certificate of service thereof, is hereto attached and marked Exhibit A.

EXHIBIT A.

UNITED STATES OF AMERICA,
Congress of the United States:

To ALLAN L. SEYMOUR, of Seymour Bros. & Young, N. Y. City, residence, East Orange, New Jersey, greeting:

Pursuant to lawful authority, you are hereby commanded to appear forthwith before the special committee of the Senate of the United States to investigate attempts at bribery, etc., at the room of the Committee on Privileges and Elections, then and there to testify what you may know relative to the subject-matters under consideration by said committee.

Hereof fail not, as you will answer your default under the pains and penalties in such cases made and provided.

To Richard J. Bright, Sergeant-at-Arms of the Senate of the United States, to serve and return.

Given under my hand, by order of the committee, this 23d day of July, in the year of our Lord one thousand eight hundred and ninety-four.

GEO. GRAY,
Chairman Special Committee.

WASHINGTON, D. C., *July 25, 1894.*

I made service of the within subpœna by telegram upon the within-named Allan L. Seymour, at No. 3 Exchange Court, New York City (which he accepted, and appeared), on the 25th day of July, 1894.

R. J. BRIGHT,
Sergeant-at-Arms, Senate of the U. S.

In the opinion of the committee each of the questions put to said witness was a proper question and pertinent to the question under inquiry before the committee, and was necessary to make the examination ordered by said resolution of the Senate, and that said witness is in contempt of the Senate and merits to be dealt with for his misconduct; and that said witness, by his various refusals to answer the questions as herein set forth, has violated the provisions of that certain

act of Congress in such cases made and provided, being chapter 7 of the Revised Statutes of the United States, which chapter is as follows:

SEC. 102, Rev. Stat. Every person who having been summoned as a witness by the authority of either House of Congress to give testimony or to produce papers upon any matter under inquiry before either House or any committee of either House of Congress, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the question under inquiry, shall be deemed guilty of a misdemeanor, punishable by a fine of not more than one thousand dollars nor less than one hundred dollars, and imprisonment in a common jail for not less than one month nor more than twelve months.

SEC. 103. No witness is privileged to refuse to testify to any fact or to produce any paper respecting which he shall be examined by either House of Congress or by any committee of either House, upon the ground that his testimony to such fact or his production of such paper may tend to disgrace him or otherwise render him infamous.

SEC. 104. Whenever a witness summoned, as mentioned in section one hundred and two, fails to testify, and the facts are reported to either House, the President of the Senate or the Speaker of the House, as the case may be, shall certify the fact under the seal of the Senate or House to the district attorney for the District of Columbia, whose duty it shall be to bring the matter before the grand jury for their action.

Wherefore, the committee report to the Senate to the end that the President of the Senate may certify as to said witness his aforesaid failure to testify and his aforesaid refusals to answer, and all the facts herein, under the seal of the Senate, to the U. S. district attorney for the District of Columbia, and order that said witness may be proceeded against in manner and form provided by law.

ADDITIONAL REPORT OF MR. ALLEN, OF THE COMMITTEE.

In addition to the above recommendation of the committee regarding the witness Allen Lewis Seymour, I have to say that I think he ought to be brought to the bar of the Senate and be required to there purge himself of the contempt of which he is guilty, or be summarily punished for refusing to do so.

I therefore recommend the adoption of the following resolution by the Senate:

Whereas Allen Lewis Seymour, a witness, was heretofore duly summoned by a select committee of the Senate, and, being lawfully required to testify before said committee, has, as appears by the report of said committee, refused to answer pertinent and material questions propounded to him by said committee: Therefore,

Resolved, That the President of the Senate issue his warrant in due form, under his hand and the seal of the Senate, directed to the Sergeant-at-Arms of the Senate, commanding him forthwith to arrest and bring to the bar of the Senate the body of said Allen Lewis Seymour, to show cause why he should not be punished for contempt, and in the meantime to keep the said Seymour in custody to await the further order of the Senate.

Respectfully submitted.